

Baseball Is 'Greatest,' League Chief Says as Season Opens

A. Bertlett Giannini, a Renaissance scholar who in 1978 became the president of Yale University, left that position two years ago to give free rein to a lifelong passion for baseball. He became president of the National League. On the eve of Opening Day on Monday — his 50th birthday — he spoke by telephone from New York with John Phillips of the IHT.

Q. Does U.S. organized baseball care about the game beyond its borders?

A. Absolutely. The more people in the world who are playing, the better it is for major league baseball. It is, after all, already an international game. There are, for starters, two distinguished teams in Canada at the major league level. There are a remarkable number of Latin American leagues and teams. And of course there is the extremely interesting and professional baseball played in Japan. The fact is that the European countries, and some other Asian countries, have begun even more intensively to look at baseball because of its Olympic-medal sport status. Italy, Holland, England, Finland, Russia and China are all beginning more and more to play very good baseball.

Q. Did major league baseball help in the effort to make it a medal sport?

A. I wasn't here at the time, but my guess is that major league baseball, as always, probably had a

very positive attitude. I can't believe that Peter Ueberroth's Olympic connections haven't encouraged it. Everybody here is very anxious to see it flourish as an Olympic sport, and we offer assistance wherever we can to anybody abroad who is interested in baseball.

An example: I got a letter the other day from some umpires in England. They wanted help in becoming

MONDAY Q&A

more professional. We've sent them tapes, rule books, instructional material from the umpires' school, and we'd do anything we could to assist them in exchange programs. We have exchange programs with Latin American umpires, and we had Japanese umpires working at spring training this year.

Q. Does U.S. baseball promote the sport abroad?

A. There have been requests for exhibition games in Europe, and they're more or less looked upon favorably if the clubs are interested. Missionary work — don't misconstrue the word — is going on all the time in Latin America. The effort to promote the sport through the establishment of baseball camps and academics is a major effort of various major league clubs in Latin America, particularly the Dominican Republic.

Q. But if the National Football League could find and exploit a European market with heavily publicized exhibition games, why can't baseball?

A. It's a different situation. Because baseball will be an Olympic sport, it is already, therefore, the pleasure and obligation of the individual countries to pursue it. Pro football is not an Olympic sport — God forbid that pro football ever should be. Major league baseball in some senses doesn't have to go abroad to promote the game because it's already catching on through the medium of the Olympics.

On the other hand, a great soccer stadium can accommodate a football game abroad. A great soccer stadium abroad can't accommodate a major league baseball game. So one real problem is venue.

I could see barnstorming in Europe if — if there's a place to play that's commensurate with the quality of player. After a long season, you don't want to send your best major league talent out onto a field that's terrific for a less exalted level. You just can't do it.

Q. What about a World Series — literally?

A. Well, we think we have it, because as far as I

can tell the best baseball players in the world are at the major league level in the United States. I'm sure in the future there could be such a thing, but right now, no. Right now you have it — here.

I don't at this point think baseball is as developed as it could well become elsewhere. It will be interesting to see what Olympic baseball does.

Q. With Japan's long baseball tradition, why are there no Japanese players in the major leagues?

A. There's no embargo. There's no reason, other than the fact that, with one or two exceptions, there has never been as far as I know any demonstrated interest on the part of Japanese players to play here. I think, rather, that Japanese players prefer to play in Japan. But there's no regulation, obviously, by major league baseball that would bar anybody in the world who had the talent from becoming a player.

Q. You're starting your second full season as a league president. How do you keep your job from becoming just that — a job?

A. Well, it is one, like any other. The administrative side is like administering any other nonprofit association — a lot of paperwork and a lot of regulation and a lot more responsibility than authority. All of that is very familiar to me; it's not particularly gripping, but it doesn't repulse me. The comparative advantage of this job is that they actually play the greatest game human beings have ever invented.

WORLD BRIEFS

India to Seal Punjab-Pakistan Border

NEW DELHI (AFP) — Prime Minister Rajiv Gandhi, in a new effort to halt Sikh violence in Punjab, has ordered the state's border with Pakistan to be sealed and intelligence agencies in Punjab to be reorganized, the government announced Sunday.

Mr. Gandhi, who presided over an emergency meeting Saturday on Sikh separatist violence, has long accused Pakistan of supplying Sikh militants with arms. Separatist violence has claimed almost 650 victims in Punjab since the start of this year.

Twenty-four persons were reportedly killed Saturday in Punjab. Several newspapers reported Sunday that India would build a fence along the 340-mile (550-kilometer) border with Pakistan. Officials would not confirm or deny this.

U.S. Stalling Arms Pact, Karpov Says

MOSCOW (UPI) — The Soviet Union has accused the United States of stalling on arms control negotiations and said there was little chance of an agreement reducing nuclear weapons would be ready for signing at the Moscow summit meeting next month.

Viktor P. Karpov, an interview carried Saturday by the Tass news agency Ministry, said in an headway in the solution of the problems that "there was no radical headway in the solution" of the problems during Foreign Minister Eduard A. Shevardnadze's visit to Washington last month.

But Mr. Karpov emphasized that the success of the summit meeting would not depend on a missile agreement. He termed it "another stage in the development of the Soviet-American dialogue."

Salvador Rightists Short of Majority

SAN SALVADOR (WP) — The Central Election Council has finished its vote-counting for the 60-seat Legislative Assembly in El Salvador, giving the rightist Republican Nationalist Alliance 30 seats, one short of a majority. Fighting over the results was expected to continue.

The council president, Mario Samayoa, said the Republican Nationalist Alliance had won 30 seats, the Christian Democratic party of President José Napoleón Duarte 23, and the National Conciliation Party 7.

The rightists contend they won at least 31 seats, which would be the majority necessary to enact a legislative program without seeking alliances. They say the two rival parties rigged the outcome to keep their party from winning. If the results stand, the Christian Democrats, in an alliance with the National Conciliation Party, could tie the rightists on any major vote, in effect exercising a veto in the Assembly.

Police Fire Tear Gas at Seoul Rally

SEOUL (Reuters) — About 1,000 protesters fought riot policemen in Seoul Saturday after a rally calling for better labor conditions, witnesses said. The protesting workers and students hurled gasoline bombs and stones at hundreds of policemen who fired volleys of tear gas to prevent the demonstrators from marching from the Yonsei University campus onto the streets. There were no reports of injuries or arrests.

During the hour-long rally, protesters shouted slogans demanding that the government release jailed workers and improve work conditions and pay.

Meanwhile, in the southern island of Jeju, about 10,000 striking shipyard workers demonstrated Saturday for the second successive day to back their demands for a 55-percent pay increase.

Briton Says Waldheim Saved His Life

LONDON (AP) — A former British fighter pilot was reported Sunday to have said Kurt Waldheim saved his life and those of other Allied prisoners in Greece by preventing them from falling into the hands of Nazi executioners in World War II.

The Sunday Times said Bruce Ogilvie was "the first and possibly the only British ex-serviceman to speak in Waldheim's defense." Mr. Waldheim, now president of Austria, denies allegations that he was involved in war crimes as a lieutenant with the German Army.

Mr. Ogilvie, 66, said he was captured on the British-occupied island of Leros in November 1943, after German paratroopers invaded, and was taken to an airfield near Athens. There, he said, Mr. Waldheim introduced himself by name and ensured that Mr. Ogilvie and others got to a prisoner-of-war camp instead of being handed over to the SS.

For the Record

The Soviet Union set off a nuclear test explosion Sunday in the Kazakh Republic. Tass reported. It was the third Soviet nuclear test announced this year.

Thirty-three Islamic fundamentalists charged with trying to kill two former Egyptian government ministers and a prominent journalist met on trial Saturday in Cairo. Two of the defendants are still at large. (AP)

President Abdou Diouf of Senegal was inaugurated for a third term Sunday at the National Assembly after a hotly contested election that was followed by a declaration of a state of emergency. (AP)

Five French tourists were killed and 35 persons were injured Saturday when a tourist bus crashed into a water truck near Corinth, Greece. The police said the accident happened between Corinth and Epidaurus, about 80 kilometers (50 miles) south of Athens. (Reuters)

TRAVEL UPDATE

French Seamen End Channel Strike

CALAIS, France (Reuters) — French seamen have ended a two-week strike over wages and staffing levels that contributed to long delays in English Channel ferry services.

Workers for the French affiliate of the Sealink company returned to work Saturday in Calais, Dunkirk and Dieppe, starting to clear the huge backlogs of traffic that had built up at British and French ports during the Easter holidays. They ended their strike after union leaders reached agreement with the French state railroad.

In England, however, Sealink's main competitor, P&O European Ferries, remained strikebound as P&O seamen voted Sunday to continue the walkout they began about two months ago.

Australia has proposed merging the national carrier Qantas and domestic carrier Australian Airlines with Air New Zealand. Government officials in Wellington said Sunday that the idea was to create one operation large enough to compete with giant international airlines. (AP)

A new branch of the Beijing subway system, to be completed in 1992, will link the present system to the center of the city and improve tourist access to Tiananmen Square and the Forbidden City. Construction on the 12-kilometer (7 1/2-mile) line begins in May, a report said. (AP)

This Week's Holidays

Banking and government offices will be closed or services curtailed in the following countries and their dependencies this week because of national and religious holidays:

- MONDAY: Andorra, Australia, Austria, Bahamas, Barbados, Belgium, Belize, Botswana, Burkina Faso, Canada, Central African Republic, Chad, Czechoslovakia, Denmark, Finland, France, Gabon, Ghana, Gibraltar, Grenada, Guatemala, Guyana, Kenya, Hong Kong, Hungary, Iceland, Ireland, Italy, Ivory Coast, Jamaica, the Netherlands, New Zealand, Nigeria, Norway, Papua New Guinea, Poland, San Marino, South Africa, Spain, Sweden, Uganda, Vatican City, West Germany, Zimbabwe.
- TUESDAY: Hong Kong, South Korea, Vatican City.
- WEDNESDAY: Bangladesh, Ethiopia, South Africa, Thailand.
- THURSDAY: Mozambique, Nepal.
- FRIDAY: Cyprus, Ethiopia, Greece, Israel, Lebanon, Liberia.
- SATURDAY: Cyprus, Greece, Philippines, Tunisia.
- SUNDAY: Syria.

Source: Morgan Guaranty Trust Co., Reuters.

After a Coup Leader Escapes, Manila Worries About Loyalty

By Seth Mydans

New York Times Service

MANILA — Roadblocks, a military alert and precautionary troop movements were vivid signs Sunday of the continuing uncertainty at the top level of the Philippine armed forces about the loyalty of many soldiers.

The dramatic escape from a prison ship Saturday of the military's best-known mutineer, Gregorio Honasan, has raised again the question of military restiveness.

Mr. Honasan, a man of heroic dimensions to many soldiers, was cashiered as a colonel after a coup attempt last August that took at least 53 lives and left hundreds wounded.

That coup split the armed forces and came closer to success than any of the half-dozen earlier attempts against the government of President Corason C. Aquino.

Mrs. Aquino, in a televised address, urged the public to stay calm while an all-out search was conducted for Mr. Honasan.

She said the time for reconciliation was past and vowed stern treatment for Mr. Honasan if he is recaptured. She said members of the crew of his prison ship faced immediate court-martial.

"I have instructed the chief of staff to issue a warning in unmistakable terms to all military personnel that any assistance given to

the renegades will be dealt with promptly and severely with the full force of the law," she said.

General Fidel V. Ramos, the defense minister, called the escape a propaganda coup for Mr. Honasan, but said, "He and his group really have very little capability to sow violence and terror among our population."

Mr. Honasan was captured in a Manila apartment last December. During his four months of captivity, military officers said, the persuasive former colonel became "the dominant figure" aboard the ship on which he was confined.

He used two rubber boats in his escape, taking with him the 13-man detachment that had been assigned to guard him.

"This means that something is still wrong with the military forces," said Rodolfo Albano, the opposition floor leader in the House of Representatives.

Observers suggested that military commanders, as was the case during the uneasy year that preceded the Honasan coup attempt, once again could not be sure how much support they enjoy within the ranks.

But they also pointed out that since the coup attempt, the government has made headway in addressing the armed forces' grievances. Soldiers' pay has been raised, most "overstaying" generals

have been retired, and the government, once accused of taking too soft a line with Communist insurgents, has taken the offensive. Military force has replaced diplomacy as the main strategy in combating the Communists.

The arrest of several top Communist leaders a few days before Mr. Honasan's escape, including Romulo Kintanar, the commander of the New People's Army, bolstered the image of the armed forces and dealt a blow to the insurgency. In addition, the military command structure in the field has been streamlined, and units have taken a more aggressive posture on operations.

As a result of all these steps, most military sources doubt Mr. Honasan's ability to mobilize the kind of support he rallied in the past.

In bidding, and without the command position and access to communications he had before last August, observers suggest that his options are limited.

One of his supporters, Navy Captain Rex Robles, who had been under house arrest since last August, acknowledged as much to a reporter this weekend.

"If I have the chance to speak with Greg, I will tell him to go slow, to lie low," Captain Robles said. "Or perhaps it is better for him to go abroad."



Gregorio Honasan, who escaped from a shipboard prison.

Pope Calls For Freedom Of Religion

Reuters

VATICAN CITY — Pope John Paul II appealed Sunday for religious freedom throughout the world and called for peace and justice for suffering peoples everywhere.

Speaking from the central balcony of St. Peter's Basilica, the pope made his traditional *Urbi et Orbi* (To the City and the World) address to about 150,000 worshippers gathered in the square, and to millions more watching on television in 46 countries.

Departing from a prepared Easter address, which was entirely religious, the pope made an impassioned plea for full religious liberty for all peoples.

He called on the Virgin Mary "to pray for the rights of man, particularly for the right of religious liberty for every man, for every Christian or non-Christian, everywhere."

The pope, who did not name any country, said earlier this year it was intolerable that 40 years after the Universal Declaration of Human Rights millions of people were still persecuted for their religious convictions.

"Let us pray for the solidarity of all the peoples of the world," he said.

Saying he hoped his appeal for world peace would reach out from St. Peter's Square to the hearts of all men in every part of the world, he called for prayers for all those who suffered "particularly in countries in which peace, justice and the means of prosperity are wanting."

The pontiff wished the world a happy and peaceful Easter in 52 languages, including 19 spoken in East bloc countries, to the cheers of the crowds below him.

During an Easter Mass inside St. Peter's, the world's largest Christian church, a choir sang an ancient Slavonic rite to mark the 1,000th anniversary of Christianity in the Soviet Union.

Vatican officials said it was the first time in 100 centuries that the rite had been included in a papal ceremony.

The pontiff will not be going to the Soviet Union for the anniversary celebrations this year, but the Russian Orthodox Church has asked him to send a delegation.

George P. Shultz, the U.S. secretary of state, took part in the ceremony before embarking on a return mission to the Middle East in search of a peace solution for the region.

The pope, who blessed Mr. Shultz's peace efforts during a private audience on Saturday, greeted Mr. Shultz and his wife, Helena, briefly again after the Mass.

Malays Have Hanged 62 For Drug Trafficking

The Associated Press

KUALA LUMPUR, Malaysia — About one-third of the drug traffickers sentenced to death in Malaysia since 1975 have been hanged, a Malaysian official said.

Idris Ibrahim, deputy president of a Malaysian anti-drug organization, said Saturday that 62 people had been hanged and that 109 were awaiting decisions on appeals of their death sentences. He did not comment on the status of another 14 people on death row, but he said that 299 people were serving life sentences for drug offenses.

Shevardnadze Flies to Kabul as Moscow Assails U.S. Stance

The Associated Press

MOSCOW — Foreign Minister Eduard A. Shevardnadze flew Sunday to Kabul to confer with the Afghan leadership, Tass reported.

The press agency gave no details, saying only that Mr. Shevardnadze had left for a "working visit."

Also Sunday, Tass accused the United States of delaying an agreement to end the Afghan war by clinging to unacceptable demands.

A Tass commentary on the Geneva-based talks aimed at ending the war criticized the U.S. and Pakistani positions as unconstructive and dismissed the two countries' calls for "symmetry" in cut-

ting off aid to the warring sides. The talks recessed Thursday and were to resume Monday.

■ New Weapons for Rebels
Richard M. Weintraub of The Washington Post reported from Peshawar, Pakistan:

New weapons, including TOW anti-tank missiles and an anti-tank cannon, are pouring in to anti-Soviet guerrillas operating from the Pakistan-Afghan border region, Pakistan-based diplomats and local observers say.

The weapons are believed to be part of a surge of military supplies in anticipation of a pullout of Soviet troops from Afghanistan, but they could also be used to put pressure on the Kremlin should it

begin to have second thoughts about its intention to withdraw its 115,000 or so troops.

"The Russians have to know that there will be no letup in this closing phase," said a Pakistan-based diplomat. He said he had "heard rumors" about the new weapons.

Officials in Washington have reported a Reagan administration decision to send about \$300 million in new arms to beef up the Afghan resistance before a Soviet withdrawal. Saudi Arabia is reported to be funding a similar amount of weapons and ammunition.

The diplomat also suggested that there could be an increase in military activity in heavily con-

tested border regions. He attributed this to the onset of warmer weather. Other observers noted that it would coincide with the arrival of new military hardware.

In the past year, heavy fighting continued well into the winter, in contrast to the usual tapering off when snow and bitter cold began to sweep through Afghanistan's rugged mountain passes and plateaus.

There has been a noticeable lull in the past several weeks, however, attributed to attempts by the mujahidin, as the guerrillas are known, to begin resupplying before a Soviet pullout.

Under an accord being negotiated in Geneva to end the Soviet involvement in Afghanistan, there

is expected to be some kind of limitation on military supplies for the guerrillas.

The original version of the agreement under negotiation in Geneva called for a cutoff of military aid to the resistance on the day Soviet troops started withdrawing. The United States now has demanded some sort of reciprocal, or "symmetrical," arrangement under which Moscow's assistance to Kabul would be limited as aid to the mujahidin is reduced.

The various guerrilla organizations are believed to be busily preparing new logistics bases in Afghanistan, looking ahead to the day when they might no longer have sanctuary in Pakistan.

IRAN: In Ideological Tug-of-War Over Revolution's Direction, a Critical Phase Begins

(Continued from Page 1)

is better, and there is no alternative, no man abroad who is as strong or as charismatic as Khomeini, so they have to live with the system."

The elections, Westerners say, will be a critical test of the governmental process established under the revolution.

The country's spiritual leader, Ayatollah Ruhollah Khomeini, 87, has stayed aloof on the selection of candidates, but has been involved in breaking the ideological deadlock that froze the growth and power of the central government.

In the political jargon of Iran, the government officials pressing for change and the social activists make up the left, and the mer-

chanis and conservative Islamic clerics represent the right.

But political labels do not fall into a neat pattern. Conservatives like Ayatollah Hussein Ali Montazeri, Ayatollah Khomeini's designated successor, have supported private interests and warned against too much centralized government while advocating more freedom of expression.

In an open debate over the supremacy of Islamic law vs. the powers of a modern government, Ayatollah Khomeini made an unusual declaration: that the Islamic government must be the ultimate interpreter of the law.

"The government, which stems from the absolute powers of Prophe-

et Mohammed, is the primary rule in Islam," Ayatollah Khomeini wrote in a Jan. 7 letter to Ayatollah Khomeini, "taking precedence over praying, fasting and making the hajj" — the pilgrimage to Mecca.

Ayatollah Khomeini, who has been identified with those commercial and conservative religious groups advocating a more limited role for the government, said an address at Tehran University on Jan. 1 that Ayatollah Khomeini was not in favor of charting sweeping new governmental powers.

But Ayatollah Khomeini responded with his strong declaration on Jan. 7.

"The revolution took a big step forward that day," an Iranian political analyst said.

As it was, Ayatollah Khomeini's edict was issued in direct support of Mr. Mousavi's attempt to back factory workers who had petitioned the labor minister last fall over arbitrary cuts in wages and longer hours. The labor minister's intervention on the workers' behalf had been overturned by the Council of Guardians, which under the Iranian Constitution reviews government decisions and legislation.

The council's action in the labor dispute, as well as its veto over

several legislative initiatives in recent years on foreign trade, agricultural change and industrial development, has been criticized as holding back Iran's overall development and raising questions of whether any Iranian government could function within the literal strictures of Islamic law.

The ruling spurred Mr. Rafsanjani, Mr. Mousavi, Mr. Khomeini, Chief Justice Mousavi Ardebili and Ayatollah Khomeini's son, Ahmad, to petition the ayatollah for a ruling in his capacity as consultative jurist of the Islamic Republic.

Having achieved a significant victory with Ayatollah Khomeini's clarification on Jan. 7, the senior government officials then pointed out to the ayatollah in a letter on Feb. 6 that he had failed to spell out the government's recourse if

the Council of Guardians continued to block initiatives.

Ayatollah Khomeini responded within a week announcing the establishment of what is in effect a new branch of government outside the constitution. He appointed a 13-member assembly to review vetoes by the Council of Guardians. Iranians and Western diplomats say Ayatollah Khomeini appears to have appointed most of the members of the new assembly by name, rather than by title, and appears to have given Mr. Rafsanjani's coalition the advantage.

"The wisdom of Khomeini is that he is always trying to balance the revolution," said an Iranian who has ties to both factions in the government. "We have so many checks and balances, and you haven't seen that in other revolutions."

5 Killed in Iraqi Bombing of Iran

Reuters

NICOSIA — Iran said at least five persons were killed and 50 were wounded Sunday when Iraqi planes bombed residential areas in the northern city of Tabriz and the central city of Isfahan.

The Iranian news agency IRNA said the raids ended a two-day lull

in Iraqi attacks on civilian areas. It said Iran had stopped retaliatory operations early on Friday.

The agency said anti-aircraft gunners shot down one plane over Isfahan, during the raid.

Iraq had announced a unilateral halt in attacks on Iranian cities during a three-day visit to Baghdad by Prime Minister Turgut Ozal of Turkey. The visit ended Sunday.

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Israel Denies Missile Link to China

Compiled by Our Staff From Dispatches

TEL AVIV — Defense Minister Yitzhak Rabin denied Sunday that Israel had signed a secret pact to supply advanced missile warheads to China as reported in a British newspaper.

Asked about the article, which ran in The Sunday Times, Mr. Rabin said: "The report that we are helping China to develop ground-to-ground missiles is simply nonsense."

Mr. Rabin also denied suggestions in the newspaper that Israel had been helping China to develop an advanced combat fighter.

Israel and China do not have diplomatic relations but they are widely believed to have had clandestine military links since 1980.

The newspaper said Israel reached a covert arms deal with China by sending a team of specialists from the state-owned Israel Military Industries to Beijing on false Philippine passports last November.

The alleged agreement called for supplying China with technology for advanced missiles, armor-piercing warheads guided by lasers and shells for heavy artillery.

Western intelligence agencies have suspected for some time that there is a link between Israeli expertise and the speed China has shown in developing advanced weaponry. The Sunday Times said.

Anthony Beaumont-Dark, Conservative Party member of Parliament, urged Saturday that Britain freeze technology and information exchanges with Israel until it explains the reported deal with China.

"We cannot go on sharing things with people who want to sell it to potential adversary for mercenary reasons, or with people we cannot trust," Mr. Beaumont-Dark said.

The Sunday Times said Israel has denied arms ties with China, but Jane's Defense Weekly, a authoritative military affairs magazine, estimates the trade is already worth as much as \$3 billion.

(Reuters)

مركزنا للتعليم

Meese's Problems Hinder Progress on Conservative Goals

By Philip Shenon
New York Times Service

WASHINGTON — Justice Department aides say that while disarray has subsided after one of the more tumultuous weeks in the department's history, Attorney General Edwin Meese 3d appears to have lost momentum in pursuing his politically conservative legal and legislative agenda.

The officials said the abrupt resignations of six senior aides Tuesday in apparent protest over Mr. Meese's leadership has severely undermined the Justice Department's influence in Congress, particularly among Republicans, who say it now may be impossible to confirm any of the department's more conservative judicial nominees.

Mr. Meese's problems are compounded, they say, by the short time remaining in the Reagan administration.

Within the department's headquarters in Washington, officials said the turmoil of the early part of the week had subsided, especially after the announcement Friday that the independent prosecutor investigating Mr. Meese currently has no plans to seek an indictment.

The announcement by the prosecutor, James C. McKay, led to new speculation within the department over the circumstances of the resignations of Deputy Attorney General Arnold L. Burns, Assistant Attorney General William F. Weld and four of their senior deputies.

Justice Department officials pointed out that Mr. Burns and Mr. Weld served as the department's contacts with the special prosecutor's office and that they must have known that Mr. McKay was not inclined to seek a criminal indictment against the attorney general.

One official said that the resignations were prompted by "disarray" over the way the department was operating and dismay over the fact that Mr. McKay couldn't or wouldn't do anything about it.

Department prosecutors outside Washington say they are frustrated by what they describe as the department's refusal to keep them informed about the week's events, particularly about the resignation of Mr. Weld, the head of the criminal division.

Mr. Weld had been directing a variety of investigations across the country and was a key liaison between the department and the Federal Bureau of Investigation.

"Suddenly Bill is gone, we have trouble getting our phone calls returned from Washington, and we're presented with a whole new cast of characters," said a U.S. attorney in one of the nation's largest cities.

The prosecutor added, "With only a few months left in the administration, I think you're going to see the FBI and some prosecutors delaying their investigations, holding back until the new administration moves in."

Only a few weeks ago, senior aides to Mr. Meese were talking with cautious optimism about using the last year of the Reagan administration to pursue a variety of legal programs and legislative proposals favored by conservatives. They include a push in Congress for a federal death penalty, lawsuits designed to promote man-

AMERICAN TOPICS

More American Cars To Get Smart Sensors

The American automobile industry is adopting some of Silicon Valley's most advanced fabrication techniques to produce a new generation of "smart sensors" that are expected to cut the cost of the computer-controlled features for the cars of the 1990s. The New York Times reports.

The sensors, as well as the electronics that process the information they gather, will be miniaturized and packaged on the same silicon chip, able to withstand the environmental rigors of an engine compartment or a car's undercarriage.

"An automobile is a lousy environment for electronics," said C. David Wright, a General Motors engineer. "If you can get the processing right down where the information is being sensed, you put a better signal into the system."

Lower-cost sensors will make more widely available such features as anti-skid brakes, which work by sensing when a wheel is about to lock up and by rapidly fluctuating the braking pressure to prevent it, and traction controls that prevent wheel spins. Both already are available on a few high-priced cars at several hundred dollars or more per sensor.

Also possible are "active" suspension systems. Conventional springs and shock absorbers would be replaced with motorized adjustment devices that provide a comfortable ride regardless of road conditions. Again, drastic cost reduction will be crucial.

Department officials say the problems are twofold: The department will now have to spend months in reorganization and Mr. Meese's ability to influence lawmakers and his own prosecutors has clearly been hampered.

Department officials seem convinced that Mr. Meese will serve out the remainder of President Ronald Reagan's term. On Friday, Mr. McKay said he did not plan to seek an indictment of Mr. Meese "based on the evidence developed to date" about the attorney general's finances.

But two senior department prosecutors said that despite the favorable news Friday for Mr. Meese, the attorney general's authority will be further damaged when Mr. McKay gives Congress a final report on his investigation.

In his statement, which was issued at the request of Mr. Meese's lawyers, Mr. McKay said that his final report would cover "all the matters which have been under investigation."

Mr. McKay said he also would "refer all of those matters for review and action by the appropriate administrative authorities."

Justice Department officials said that apparently means that Mr. McKay will provide the Office of Government Ethics and the department's own Office of Professional Responsibility with evidence that, while not sufficient for an indictment, could lead to a resumption of internal disciplinary reviews of Mr. Meese.



HAM ON RIDE — Brian Keaulana and his pet porker, Chop Chop, riding the waves off Oahu in Hawaii. They were tuning up for a surfing contest featuring animals and owners.

A Surplus in the U.S. Budget? Social Security Fund Is Ballooning but Can't Be Spent

By Peter T. Kilborn
New York Times Service

WASHINGTON — It may be hard to believe in this era of enormous federal budget deficits, but the U.S. government could soon be showing surpluses, even decades of large and growing surpluses.

The Social Security system is beginning to take in more money in payroll taxes than it pays out in benefits, money that it will eventually need when the huge generation born in the postwar baby boom retires. But all that money, though it cannot be spent for other purposes, counts as part of the federal budget.

And as the Social Security surplus grows, projections show it overshadowing the deficits in the rest of the government's accounts before the end of this century.

This creates a conundrum for policy makers. On the one hand, if the surplus is allowed to keep growing as projected, it could result in a serious drag on the national economy as the government soaks up money that people would otherwise be free to spend.

But avoiding that drag on the economy, by bringing the government's overall spending and taxing into balance, presents its own problems. Unless the goal of building up the Social Security Trust Fund is altered, the annual surpluses in that account would have to be offset with an operating deficit in the rest of the government's accounts.

This would invite a pattern of high spending and low taxes that would be painful to break as the Social Security surpluses disappear, as planned, in the middle of the 21st century.

The prospect of a federal budget surplus is beginning to stir wonder and incredulity in Congress, and some economists and legislators have begun to ask if conflicts over the deficit struggles of the Reagan years.

"I don't think there's any doubt that this is going to change the nature of the budget debates," said Senator Pete V. Domenici of New Mexico, the ranking Republican on the Senate Budget Committee.

Some people contend that the Social Security system should be set aside and viewed as entirely separate from the federal budget that it is debated each year.

But, so far, Congress and the White House have stuck to the practice of dealing with a unified budget that includes the Social Security Trust Fund.

Part of the reason for that is political: The pension system surplus, about \$40 billion this year, means that less has to be cut from the military budget and from domestic social spending in meeting

the overall deficit targets of the budget balancing law, even though that money — and it will soon be much more than \$40 billion a year — cannot be spent for anything except Social Security payments.

But part of the reason is economic: the Social Security Trust Fund is still a part of one economy. It is like the second checkbook of a two-earner family. Some economists say that to pretend that the second account is not a part of the family's finances invites a different depiction, one implying that because the first wage-earner's accounts are in the red, the whole family's accounts are, too.

Further, the Social Security system taxes and spends and influences the economy just as the rest of the government's books are starting to shift, and to shift faster than they were expected to five years ago, when Social Security policies were adjusted because the system was running out of money.

The Social Security Administration's annual surplus of tax collections over benefit payments is projected to rise from \$30 billion last year to nearly \$40 billion in 1993. The Reagan administration and numerous economists believe that if the economy is strong, these annual surpluses will begin to exceed the deficits in the rest of the government's accounts in four years, sometime later in the 1990s if the economy is not so strong.

By the year 2015, the annual Social Security surplus would be more than \$500 billion, and the fund's total assets would be about \$7 trillion, well above the expected national debt.

But 20 years later, the surpluses disappear and their utility becomes apparent: All the baby boomers are retired, the number of workers paying taxes into the system has not kept up, the annual account slides into deep deficits, and the trust fund is used to keep paying out benefits.

In the next few years, while the Social Security surplus builds, the government still shows substantial deficits in the rest of its accounts, but they seem to be receding. The Congressional Budget Office projects a drop from \$161 billion this year to \$109 billion in 1993 with the contribution of the Social Security surpluses included.

Excluding the Social Security surpluses, the deficits barely budget from \$199 billion this year to \$207 billion five years from now.

"We're engaged in an accounting trick," said Senator Donald W. Riegle, Democrat of Michigan. "We're using the surplus to hide the real size of the operating deficit in the federal budget."

As the second decade of the next century draws to a close, however, the annual surpluses start shrinking. After the year 2035, the benefit payments begin to exceed the revenues, and the system starts running annual deficits, mounting to more than a trillion dollars a year after 2050.

These deficits would then combine with any deficits the government is running in its other accounts, and this explosion of red ink is what economists worry about. Assets in the trust fund would be exhausted by the year 2055, but presumably adjustments will have been made to keep the system solvent.

Projections show the Social Security surplus overshadowing the deficits in the rest of the government's accounts before the end of this century.

of the government does through the operating budget. And that is where the surplus becomes a problem, in the view of many experts.

For the accounts of a government, as for businesses and consumers, black ink is more virtuous and desirable than red. And steady, small surpluses normally provide for a sounder and healthier economy than one that is saddled with deficits.

Large or rapidly rising surpluses mean the government is draining money from people's pockets, by taxing them or cutting their federal benefits, leaving them with less to spend and invest to keep the economy growing.

The numbers involved here are not small. Government projections show that a time will come that the accumulated surplus in the Social Security Trust Fund, which is required to invest its assets in government securities, will total more than the entire accumulated federal debt.

Of course, economists and politicians know better than to attach a lot of credence to forecasts for the economy, especially those extending beyond the 20th century. All kinds of things — a long recession, a war, a big stock market crash — could unravel the scenario.

But they acknowledge that the

too old to play Bond again. Instead, he plans to play Harrison Ford's father in a forthcoming sequel to "Raiders of the Lost Ark" and "Indiana Jones and the Temple of Doom."

Short Takes

While taking his uncle's pit bull terrier for a walk in Lancaster, Pennsylvania, Gerald E. Huber Jr., 19, ordered the dog to attack one of the trees along the street. The dog chewed on 13 trees, causing damage estimated at \$1,200. Pleading guilty to criminal mischief, Mr. Huber was sentenced to replace the trees that died and to do 40 hours of community service. His lawyer, Roy D. Shirk, said it was like having the dog fetch a stick, "except that the stick was stationary."

A collection of 140 letters written by Mark Twain between the ages of 18 and 31, nearly half of them never before published and many of them appearing in full for the first time rather than excerpted, is to be published next month by the University of California Press. It is the first of a projected 20 volumes from the university's trove of 10,000 Twain letters. In one letter, written when Twain was 29, he wrote his brother Orion Clemens and his sister-in-law Mollie. "I have had a 'fall' to literature, of a low order — i.e., humorous. It is nothing to be proud of, but it is my strongest suit."

The police "mole patrol" in the Philadelphia subway rides a battery-powered industrial cart which rolls noiselessly through the main concourse at 10 mph (16 kph). The first day the vehicle went into service, Charles Myers and a fellow officer pulled up to a store and arrested a burglary suspect, whose only words were, "I didn't hear you coming."

Shorter Take: ABC's afternoon television soap opera "General Hospital" has observed its 25th anniversary tied for first place in the daytime Nielsen ratings with "The Young and the Restless" of CBS.

Sean Connery, who starred in seven James Bond spy films between 1962 and 1983, readily acknowledges that at age 57 he is

Notes About People

Maureen O'Hara, 66, who was born in Dublin and has been a Hollywood actress for three decades and a U.S. citizen since 1946, will be given an honorary doctorate by the National University of Ireland. Miss O'Hara lives in the U.S. Virgin Islands and spends her summers in Ireland. She became the president of a commuter airline, Antilles Air Boats, after the death of her husband, Charles F. Blair, in 1978. Her 55 films include "The Hunchback of Notre Dame" with Charles Laughton and "The Quiet Man" with John Wayne.

Arthur Higbee

It's Thumbs Down on Hitchhiking In U.S., a Growing Perception of Danger on the Road

By Peter Applebome
New York Times Service

VAN HORN, Texas — "Somebody along the line I knew there'd be girls, visions, everything," Jack Kerouac wrote in "On the Road," his classic 1950s paean to thumbing his way across America and to low-life joys of the road. "Somewhere along the line the pearl would be handed to me."

If Mr. Kerouac tried to hitchhike across America today, he would probably be willing to trade the girls, visions and pearls for something much more valuable — a ride that would get him where he wanted to go.

For years, hitchhiking was an amiable mix of utility and the romance of the road. Now it appears to be in decline across America, a victim of a widespread perception that life on the road is dangerous.

"People are too afraid to pick you up," said Bill McChusky, 35, an itinerant hitchhiker who tried for five hours to hitch a ride in the arid, barren stretches between Van Horn and El Paso, Texas, until a reporter picked him up. He was near dehydration. He had been in the desert without water.

"They see a man on the road, and they think he's going to hurt someone," Mr. McChusky said. "The sad thing is I can't really blame them. There are a lot of dingbats along the highway."

Hitchhiking is illegal or sharply restricted in most states. But law-enforcement officials, some of whom hitchhike, or used to be, themselves, agree that there are fewer hitchhikers today and that motorists are less likely to pick them up.

"I used to hitchhike myself in the 1960s and 1970s," said Alex Calica of the California Highway Patrol. "Up until 1974 and 1975 you would see hitchhikers at the 'on' and 'off' ramps, but in my five years on the force, I've seen a marked decrease."

Lieutenant Michael Wright, public information officer for the New York State Police, agreed. "Absolutely, there's been a decline," he said. "There aren't nearly as many hitchhikers out there today as there

were 10 years ago. We don't allow it at all on our highways. It's a traffic infraction, punished with a fine."

The main reason appears to be fear on the part of hitchhikers and motorists alike. A police officer was shot to death in Houston last week after he stopped to question two hitchhikers about some burglaries. Several multiple killers such as Gerald Stano of Florida and William Bonin of California were convicted of murdering hitchhikers they picked up.

Even among young people, hitchhiking themselves or picking up hitchhikers is generally viewed as excessively risky.

Flynn W. McRoberts, 21, a junior at Northwestern University in Evanston, Illinois, said he used to hitch short distances around his home in Idaho but would not do it anymore.

"It wasn't the most intelligent thing I've ever done, but I was lucky," he said. "I wouldn't pick up a hitchhiker either. Maybe since I've moved to the big city I'm less trusting."

Wendy Smith, a native of Wales who now lives in Houston, said she hitchhiked a few times after she came to the United States two years ago. Her last ride, she said, was in Los Angeles with a man who she belatedly realized was wearing nothing but fishnet stockings. "I still might do it in Britain, but not here," she said. "It just doesn't seem safe, particularly because of all the people with guns."

Like Mr. McChusky, most of those hitchhiking today do it because they have to, not because they want to. Mr. McChusky said he was trying to get to Helotes, Texas, near San Antonio, where his brother had a construction business. He was traveling with two neat green suitcases and he said he had \$1 in his pocket when the reporter picked him up.

He said the troublemakers were a minority of those on the road.

Daniel H. Garrison, 50, a professor of classics at Northwestern University, periodically gives an informal lecture that students refer to as Hitchhiking as an Art Form. Mr. Garrison says students are still interested in hitchhiking but too cautious to do it.

"The instinct is there — these are 19-year-old kids — but they're also people of their time," said Mr. Garrison, who also told of beginning an extended romance with hitchhiking in 1954, on the road from his prep school in New York toward his home in Michigan.

"It's a curious phenomenon," he said. "I think it has something to do with the present state of conservatism. People are risk-taking a little less."

Mr. Garrison said he still picks up hitchhikers. Many are Europeans, he said.

"I see fewer and fewer people out there, and it saddens me," he said. "I see it as part of the closing up of American society. America has fewer and fewer places where people can get together in an unstructured place and talk to each other. The last hitchhiker I picked up was a student from Germany who was seeing the country just the way he should see it."

Peru Extends Emergency

The Associated Press

LIMA — President Alan Garcia Pérez extended on Saturday a state of emergency in the mining region of eastern Pasco state, where guerrillas have repeatedly attacked mines and railroads.

Marlboro

The number one selling cigarette in the world.

EFS
Gandhi, in a new effort to build a bridge along the border almost 650 miles long.

Karpov Says
accused the United States of building a fence along the border almost 650 miles long.

of Majority
tion Council has passed Assembly in El Salvador 30 seats, one short of 31 to continue.

Seoul Rally
s fought riot policemen better labor conditions, students burned flags, ho fired volleys of tear gas from the Yonsei University of injuries or arrested slogans demanding to prove work conditions.

Saved His Life
pilot was reported to have fallen into the hands of the first and possibly the hero's defense. Mr. Weathers that he was involved in a British-occupied island, atropine invaded, and he said, Mr. Waldheim is Ogilvie and others got a led over to the SS.

DATE
channel Strike
eamman have ended a hope contributed to long delays.

to China
Anthony Beaumont-Dark, Conservative Party member, urged Sunday the British to freeze technology and influence in exchanges with Israel and to plan the reported deal.

DOONESBURY

THE CERE-FIRE HAD TAKEN THE STING OUT OF COMMANDER LEEZ-TAN-ZERO'S PAPERBELL TO ARMS.

THE ACCORD WAS ONLY A BEGINNING, OF COURSE, THERE WERE OBSTACLES TO OVERCOME.

...BUT ON BOTH SIDES OF THE CONFLICT, EVERYONE WAS GLAD THAT PEACE HAD AT HAND!

WELL, ALMOST EVERYONE.

ELLJOTT! WHAT WERE YOU DOING LOOKING INTO IT, SIR?

When Left And Right Lag Behind

By Flora Lewis

BEYMAC, France — A Great Britain journalist asked the other day whether the rise of Jesse Jackson meant that U.S. politics was swinging "to the left again." It was a reminder of how far the old vocabulary has lagged behind the developing issues of government and politics. This has been much reinforced by developments in major Communist countries, though little noticed yet.

When the Chinese say class warfare can no longer be the central issue because there are all kinds of people in society who do not fit into the Marxist categories of workers and peasants versus exploiters, and when Moscow says class struggle cannot guide its foreign policy, it is time to notice that the old analytical tools have worn out.

The classic left-right approach predates Marx, of course. But the labels are still based on the assumption that people see themselves primarily as members of opposing classes. It was never more than partly true. Ethnic, national, religious and other loyalties usually predominated over straight class interest. But the Marxist prophecy has tremendous intellectual and emotional impact, and it is still implicit in the way many people talk about politics, if not in the way they practice it.

American neoconservatives thought they saw a heavy dose of that analysis in the last two decades, and, ironically, sought to revive it as the foil for their counterarguments. Neoconservatives took the bait. But already both voices are fading as the mainstream moves on with calls for problem-solving, economy-boosting, energizing. Perhaps that is with the exception of Jesse Jackson's appeal, but it may be misleading to see him in terms of the old paradigm.

There is a recognition that neat theories and panaceas don't work, neither Lyndon Johnson's idea of making the Great Society by throwing public money at it, nor Ronald Reagan's endorsement of "supply side" fiscalogues opening for private money.

It is left or right to call attention to the limits of U.S. power to reshape the world and agitate for human rights? That depends on whether intervention is to be in Vietnam and Nicaragua or South Africa; whether rights are to be defended in the Soviet Union or Chile. True, this is an old contradiction that we learned to live with under the left-right perception of the offending government, but the righteous arguments have frayed at the edges as the messy real world imposes itself.

What kind of issue is ecology: a leftist crusade against unbridled private depredation of the environment, or a rightist attempt to preserve the status quo and prevent late-comers from sharing in new wealth? How do the opposing stands on demography, how to deal with terrorism, drugs and space, sort out? Who calls for more and stronger government activity, and who wants the state to opt out?

America's tendency to set aside ideology and try to look after concrete needs as groups in society make them impossible to ignore has led Europeans to call pragmatic politics "Americanization." It is a healthy tendency, and it has a lot to do with stabilization of Western Europe as it sees it must tackle new problems undreamed of in theories. The search for the possible and the practical in place of the emotionally rousing but ineffective represents a maturing democracy, an acknowledgment that self-government has to mean acceptance of that government, not infantile flailing about.

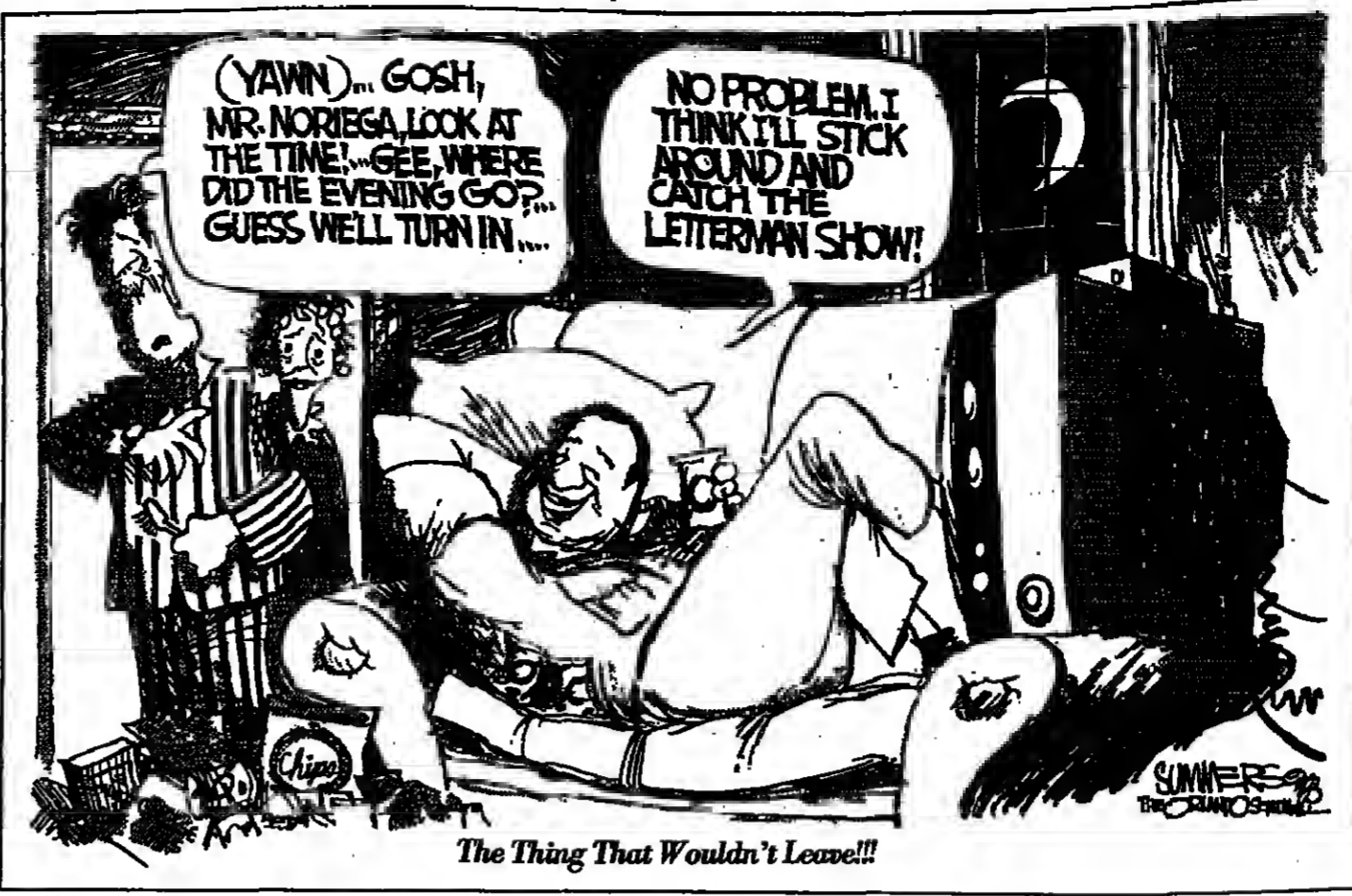
But it leaves a vacuum, a plodding sense that nobody will make much difference and nothing exciting will be done. That may explain Mr. Jackson's appeal beyond the black community; where he embodies a breakthrough in recognition and opportunity.

He already had changed the political equation profoundly. A generation ago the civil rights crusade established blacks' right to vote. Now he is establishing the black will to vote and wield political power, already achieved regardless of who becomes president.

Beyond that, he is demonstrating again the recurrent hunger of society for some sense of ideal, for making effort beyond personal enhancement and greed. That is not necessarily left or right, but it remains. Ronald Reagan made Americans feel good, and they forgave him the shallowness, the dirty tricks, the stupidities in the name of pride. What Mr. Jackson offers is not feasible, but he shows that while people want competence and reasonable solutions, they also want something to stir and justify their energy.

It is good for democracies that old notions of division are being overlaid. But it is bad to suppose that's enough. The yearning for new kinds of hope must not be overlooked.

The Washington Post.



The Thing That Wouldn't Leave!!

International Peace Talks: Why Does Israel Resist?

By Abba Eban

The writer, a former Israeli foreign minister, is chairman of the Knesset Committee on Foreign Affairs and Defense.

JERUSALEM — Proposals for international conferences to discuss the Middle East were always accepted by Israeli governments in the past. Why not now?

At Rhodes, in 1949, four conferences resulted in general armistice agreements that legitimized Israel's pre-1967 boundaries. In Lausanne, later that year, a peace conference collapsed without detriment to Israel. In March 1968, Israel accepted, and the Arab states refused, an invitation by a United Nations mediator, Gunnar Jarring, to hold "conferences" in New York for implementing Security Council Resolution 242.

In December 1973, an international conference under American-Soviet auspices enabled Henry Kissinger to negotiate disengagement agreements between Israel, Egypt and Syria. These were crucial for Israel. The alternative would have been the renewal of war between vast Israeli, Egyptian and Syrian forces, which stood in dangerous proximity, against a background of Soviet threats of intervention, an American nuclear alert and the paralysis of the Israeli economy through mobilization.

In October 1977, the Begin administration agreed to another conference under U.S.-Soviet auspices that was to negotiate with a Jordanian-Palestinian delegation on the future of the West Bank and Gaza. The voyage of President Sadat to Jerusalem superseded this agreement.

We can divide the previous international conferences into those that brought Israel great benefit and those that did it no harm. Successful Israeli governments have understood that procedural frameworks have little effect on the eventual outcome, provid-

ed the participants know what they can accept and what they must refuse.

If states have often preferred to negotiate in improvised conferences rather than in the United Nations, it is precisely because they are less committed by the conference method. Security Council meetings, which Israel attends without hesitation, have a theoretical power of coercion and punishment. An international conference has none of these attributes.

And Secretary of State George Shultz has of late been the kind of imaginative and detailed protection that none of his predecessors ever envisaged. Israel would enter a conference with uncertain expectations of success but with close to zero risk of serious harm. The idea that the United States and Israel, the most influential superpower and the strongest military

power in the region, would be isolated in a conference is absurd.

It is bizarre to watch eminent American statesmen and commentators with an ardent record of friendship for Israel criticizing Mr. Shultz's plan in apocalyptic terms. Their strident warnings take account neither of Israel's preponderant military power nor of the fact that Israel holds all the world records for rejecting proposals that conflict with its interests.

Israel has a long experience of re-allocating the designs of its enemies. Acting to the councils of well-meaning friends is a more delicate art. In recent years we have received the following items of friendly advice: Attack Syrian forces in the Bekaa Valley ("give Assad a bloody nose"); avoid leaving Lebanon without "finishing off the Palestine Liberation Organization";

maintain permanent control of an alienated foreign population, close the occupied territories permanently to the international media; and now reject the only available method of negotiating with our immediate neighbors to end what Mr. Shultz has rightly called "an untenable and unacceptable status quo."

If Israel had accepted all these friendly incitements to militance, we would have filled many Israeli groves and hospitals with nothing to show except an enhanced reputation for masculinity. To say that an international conference requires careful preparation is to say the obvious. (I would have preferred to follow the procedures and composition of the 1973 Geneva conference with American and Soviet leadership alone.) But to speak of "moral danger," "disaster," "Munich," "the conversion of Tel Aviv to Amalfityria" and "a whetted knife" is pure hysteria.

The worst aspect of the campaign against the Shultz initiative is that it enumerates all the imaginary dangers of accepting the initiative while saying nothing about the real dangers of rejecting it. Do they not realize that the collapse of the Shultz approach could make 1988 a tragic year for Israel, possibly dividing the country, escalating the violence in the occupied territories, dragging down the economy, eroding Israel's international relations and, at the end, threatening war with a united Arab coalition?

Israel's friends in America, who are far from this tragic arena, should consult their conscience very sharply before they urge Israel to explore the dark horizon of rejectionism.

The Washington Post.

This Is a Formula for Mideast Disaster

AN international Middle East peace conference, as explained by Secretary of State Shultz, would begin with a plenary session that will include the Russians. That is anathema to Israel. It ought to be anathema to America.

It is one thing to have the Russians bless a negotiation by showing up and giving cover to King Hussein. It is another to have them reviewing the negotiations as they proceed. We know exactly what negotiating position the Russians will back: maximalist Arab demands that neither Israel nor the United States can accept. That will make Israel into the intransigent and the United States into Israel's lawyer. Why should the United States set up a conference which will make demands that the United States cannot meet?

The mirage here is that process is progress. It is very nice to get everybody in a room together, but unless you know who is going to say what to whom and whether that will be grounds for acceptable compromise, you are setting yourself up for stalemate, disappointed expectations, raised tensions, Soviet encroachment and American isolation. This is a formula for disaster.

The Washington Post.

Israelis Can't Count on American Sentiment Forever

By William Pfaff

PARIS — Two distinctions need to be understood in the controversy between the United States and Israel over peace negotiations and Israel's measures to control the uprising of Palestinians.

The first is that the American-Israeli association today is not the alliance originally forged between the two countries. The alliance originally was a U.S. guarantee of Israeli security, not an endorsement of Israel's expansion. When Israel invaded Egypt in 1956, the Eisenhower administration's pressure compelled it to withdraw.

The American reaction was not the same after the Six Day War in 1967 because Israel's offensive was seen to have been provoked by Egyptian mobilization. Egypt's removal of UN forces from the border, and its blockade of Israel's access to the Red Sea.

In ensuing years, Israel's annexationist Likud bloc increased in influence. Colonization of the occupied territories began, and in 1982 Israel invaded Lebanon to drive out the Palestine Liberation Organization and make Lebanon into a client. The alli-

ance with America was no longer defensive but, in practical effect, it underwrote Israel's expansion, a policy at the source of the Palestinian uprising in Gaza and on the West Bank.

The American public was never consulted on this change in the character of U.S. involvement with Israel and today shows little enthusiasm for it. That, mainly, is why there is now trouble between the two countries.

The second distinction to draw is between what Israel's government has a right to ask of the American Jewish community — a matter so to speak, within the family — and what it can reasonably ask of the U.S. government and public as a whole.

Prime Minister Yitzhak Shamir and many others in Israel express bitterness at U.S. criticism of the repressive measures Israel has taken in Gaza and on the West Bank. They say this is Israel's affair, that Israel is a sovereign state and will conduct its policy as it sees fit. Israel, they say, not its critics, will have to take the

consequences of what Israel does.

Independence, however, has to be paid for. It is not reasonable, and it may eventually become impossible, for Israel to enjoy an immense subsidy from the U.S. government and at the same time follow policies to which a majority of Americans, or even a substantial minority, object.

For the American public, the country's alliance with Israel has reflected an attachment to Israel's survival and success that is founded on respect for Israeli democracy, a conviction that Israel is the only nation in the region with whom Americans have basic values in common, and a sense of solidarity with the American Jewish community in its own commitment to Israel's well-being. There has been an American political and security interest in the alliance, as Israel is the major power of the region.

There are liabilities in the relationship as well, however, and they grow larger. The United States supports Israel's economy, is held responsible in

world opinion for Israel's conduct, yet has little actual influence over Israel's decisions. Washington has trouble enough in its foreign relations, and in its own economy, to need this.

Mr. Shultz and the Reagan administration have shown a degree of forbearance and patience that cannot realistically be expected from any administration, to follow, whether Democratic or Republican.

This administration has represented a coalition of forces peculiarly favorable to Israel — of militant anti-Communists, conservative intellectuals, religious conservatives with a biblical interest in Judaism. It came to office when popular feeling against Islamic radicalism and Middle Eastern terrorism was at a peak in the United States.

George Bush represents a different Republicanism, "establishment" in quality, business-minded, much less ideological than Reagan Republicanism. Jesse Jackson is pro-Palestinian. He is unlikely to be the Democratic nominee for the presidency, but it becomes more apparent that he will have a serious influence on who the candidate is and on the party platform.

Nations have permanent interests, as we frequently are told, not permanent friendships. Americans, being a sentimental and idealistic people, have always liked to think otherwise. Israel, one would think, cannot afford to let sentiment cloud their vision; they should be prudent to count on American sentiment permanently prevailing over an evolving public perception of American national interest.

International Herald Tribune.
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Through the Fog Over Eastern Europe

By Stephen S. Rosenfeld

WASHINGTON — A trip through the parts of Eastern Europe that are changing fastest indicates that U.S. policy is operating in a fog. Events are outrunning the modest formulas of the past; America is playing catch-up.

Conceivably, that is the best way. Ever since the 1956 Hungarian revolution, when Washington in embarrassment but in prudence found itself unable to deliver on promises of help for liberation, the United States has been wary of encouraging change in Soviet-dominated Eastern Europe. Americans have contented themselves with generally low-key prompting of domestic liberalization and local nationalism. The most they have done involved the signals the Carter administration quietly sent to dissuade Moscow from ordering in its troops to crush Solidarity in 1979.

Certainly it is safer to linger on the trailing edge of change than to surge to the leading edge. No one can be sure that the popular ferment and official reform evident in places like Poland and Hungary will not produce upheaval. That way if something goes wrong America avoids a replay of its moral treachery of 1956.

But that way it also runs the opportunity to move toward long-proffered goals: to ease and someday eliminate the division of Europe and to permit life in Eastern Europe, to flow from national choice rather than Soviet dictation.

I do not say that America should proceed to the liberation of Eastern Europe. But the changes stirring there and in Moscow compel a review of policy to see whether Washington should be moving more purposefully. The administration now proceeds step by step: removing frictions in direct relations with the more liberal East European regimes; establishing direct patronage of the democratic opposition, appealing to the region's interest in "regaining the modern world," as John Whitehead, the State Department's point man, puts it, and seeking to become relevant to its economic strivings.

The current policy pinch lies in the economic category. America guards the door to the technology that is Hungary's priority and the credits that are Poland's, partly on grounds that these nations belong to a hostile alliance and partly that their reform programs are lagging.

The question is whether these familiar rationales reflect an appreciation of the actual pace and prospect of Soviet bloc change.

It may be time to go beyond simply saying no to the Hungarians and instead to ask them how they intend to lighten U.S. anxieties that they would put certain dual-use technology to military use. It is fair to want new credits to Poland to support

democratic elements, not statist party ones, but should Americans be imposing reform criteria that democrats might not be able to meet?

Americans lack a large notion of an alternative future of Eastern Europe. Everyone agrees that the Soviet empire is eroding and that more freedom is a good thing. But there is little thinking, let alone consensus, on what might be a decent and stable new port for a region whose moorings to Moscow are starting to come undone. American policy is built on incremental progress with one country at a time. There is no strategic concept to it, no architecture.

Is the goal to separate Eastern Europe from the East — to have many tame Yugoslavias (but no nasty Romanias)? Is it a series of explosions and depressions that endlessly take the evil empire? Is it to "Finlandize" the region, through Soviet grants of internal autonomy in a context of respect for Soviet security interests? Is it a new Yalta, in which the great powers again draw a future for Eastern Europe? Or is it a U.S. disengagement leaving the Russians and the Germans as arbiters?

The typically American quest for "better relations" in Eastern Europe cannot long conceal the requirement for a large policy, one that necessarily must be the work of many minds and many hands, most of all — this time around — Eastern Europe's.

The Washington Post.

Herald Tribune

Published With The New York Times and The Washington Post

Austria's \$416 'Cure'

Austria has seemed unable to get anything right about its past since Kurt Waldheim acknowledged two years ago that he served Hitler in the Balkans. But that, he explained, was long ago. He was a youth doing his duty and besides, he knew little about the killings of Jews, hostages and British prisoners. An Austrian majority rewarded his defective memory by electing him president. Now, as in some bitter play by Dürrenmatt, the majority is turning against him and strives to exorcise the ghosts he has conjured up.

To that end, Austria's Parliament decided the other day to offer further compensation to victims of Nazi rule following Austria's annexation by Hitler in 1938. The one-time payments range from \$208 to \$416 per person, depending on particulars. Only the tiny Greens party protested.

Austria years ago offered modest pensions to some individuals who had suffered during Nazi rule, but it rejected large-scale reparations. The official version has it that Austria was "Hitler's first victim," coerced into union with the Nazi Reich. This ignores the ecstatic welcome for Hitler and the surge in Nazi Party membership following the Anschluss. If Austrians truly believe that they were only victims, no reparations are required. If they finally are coming to terms with a painful past, then reparation payments of \$416 are macabre.

Money cannot restore a life or rewrite the past. But reparations can begin to heal certain wounds. To that end in 1951, Chancellor Konrad Adenauer of the Federal Republic of Germany acknowledged the "immeasurable suffering" inflicted on Jews by Germany and proposed joint talks with Israel "to

bring about a solution of the material indemnity problem, thus easing the way to the spiritual settlement of infinite suffering." A decision by Prime Minister David Ben-Gurion to take up the offer stirred a furious debate. The opposition leader, Menachem Begin, was totally opposed: "Whoever heard of the murdered going to the murderer to ask for compensation?"

Ben-Gurion's wiser view prevailed. Israel's acceptance helped give moral legitimacy to the newborn Federal Republic, and West German assistance was crucial to the survival of newborn Israel. Bonn's transfers to Israel from 1953 to 1965 totaled \$1.7 billion, of which \$970 million was individual compensation; this compares with \$214 million in U.S. economic aid to Israel in the same years. The payments have continued, and total West German reparations are reckoned at \$37 billion. What made this more than a financial transaction, however, was West Germany's intense self-scrutiny.

Every document of the Hitler era was weighed and examined by West German scholars in a determined search for answers. Two schools have competed — "intentionalists" and "functionalists" — in an urgent debate over what lay behind the Nazi crimes. In East Germany, by contrast, there has been no such argument; a communist regime insists that it has no connection with the Nazi past, though a few months ago it began discussing some form of reparations to Jews.

Until Mr. Waldheim admitted that, yes, there were things he hadn't talked about, Austrians were largely content to follow his example. The cure for this disease lies not in token payments, but remembrance.

— THE NEW YORK TIMES.

Helping the Caribbean

While the Caribbean Basin Initiative has produced less than its authors promised, it has had some real successes under unpromising conditions. The time has come to expand it. The trade subcommittee of the U.S. House of Representatives held hearings last week on a bill, sponsored by its chairman, Representative Sam Gibbons, to do that.

The Reagan administration designed the Caribbean initiative as a way to promote growth through investment and trade. Since U.S. foreign aid is declining, the initiative takes on special importance. The original legislation was severely limited to reduce its effect on U.S. employment. While the program opened the American market to many Caribbean products, it excluded from the benefits some things those countries produce most efficiently — clothing, shoes and other leather goods. The new bill would now exempt from tariffs items not made in the United States or in short supply there. It would largely exempt goods made from materials produced in the United States. Those relaxations would do no harm to Americans while greatly helping Caribbean manufacturers.

Opposition is coming from American la-

bor unions. But in the past four years, there has been no tidal wave of imports from the south sweeping away U.S. factories. Sometimes it has been the reverse. Andrew Postal, president of Judy Bond Inc., a women's clothing producer, told the House panel that his company employs more than 1,000 people in its Alabama plants while also manufacturing in Costa Rica and Haiti. "Our United States employment has increased by approximately 30 percent as we have grown in the Caribbean Basin," Mr. Postal said. By linking its U.S. and Caribbean operations, the company has been able to compete successfully with Asian imports. The case is a useful warning that Caribbean imports are not always the threat protectionists claim.

The United States has done much harm to the Caribbean economy for years with drastic cuts in its sugar quotas to protect U.S. growers. One solution is to move quota reductions from sugar to other products. The present Caribbean initiative is helping to do that. Because of the sugar quota, America has a moral obligation to expand that help as Mr. Gibbons proposes.

— THE WASHINGTON POST.

A Weapon That Works

Among the usual array of foul-ups in the Pentagon's strategic weapons systems, the House Armed Services Committee has uncovered a surprise: a well-managed, technically successful program that is on time and within cost. Its success contains useful lessons for the Defense Department.

The program aims to equip the navy's Trident submarines with a better missile system. The missile, called the D-5, will be the first sea-based weapon accurate enough to destroy hardened military targets. The House committee offers several reasons for the program's success. One is continuity. Its managers have stayed on the job an average of six years. As the chairman, Les Aspin, noted, officers in other Pentagon programs tend to rotate quickly to other jobs.

And the navy's Strategic Systems Program Office, which manages the missile, has unusually broad responsibility that allows it to make rational trade-offs between a weapon's cost and its performance. The office oversees

a weapon throughout its life cycle, making it impossible for a manager in the research phase to cut corners on a weapon's capabilities and pass the problem on to the field. The office has a single mission, sea-launched ballistic missile systems, of which it has developed four generations. This focus has enhanced both management and product.

With many weapons, the Pentagon pursues innovation for its own sake. The Trident missile team has innovated only where essential. All new technologies in the system are well within the proven state of the art with one chief exception, the guidance system, which takes a fix from the stars in midflight so as to enhance accuracy. The star-sensing device has already proved hard to manufacture, risking a bottleneck unless its microchip can be produced more efficiently.

The \$36 billion D-5 system may yet stumble. But no major obstacles are visible. The Pentagon should pay attention.

— THE NEW YORK TIMES.

Other Comment

Two Europes for How Long?

The eastern countries did not respond favorably to the offer to take part in the Marshall Plan; and it was their refusal to respond favorably that laid the groundwork for what I believe to be Europe's greatest problem of the present epoch: The tragic line of political and cultural division which runs from the Baltic to the Black Sea, which severs as though by a surgical knife the natural cohesion and integrity of European civilization. Can we continue to accept this unnatural division? In my opinion, we cannot.

This continent, and the world at large, now find themselves confronted with new problems that have little or nothing to do with East-West differences — environmental problems, economic and financial problems, problems of North-South relations — problems that are not to be alleviated by the outcome of a nuclear weapons race. These problems are beginning to overshadow, in all but the most rigidly militaristic minds, the Cold War fixations of the earlier generation.

The anxieties and aspirations that caused those earlier generations to split the continent often seem to the emerging generation,

and rightly so, scarcely relevant to the questions in which they are most interested. And with that loss of relevance the rationale for Europe's division is beginning to become undermined. Demands are being raised for greater attention to the positive possibilities of international relations — for greater response to Europe's hopes, and less to its fears. Surely one can afford to begin to think more boldly about what could be done to reunite this tragically divided continent.

The success of any such effort would depend, of course, on how far the East was willing to come to meet us. New ideas were also required. But if these ideas were present, if our military enthusiasts would stand aside long enough to permit some constructive things to be undertaken, and if the effort were to be pursued with the same boldness of concept, the same refusal to be discouraged, and the same recognition of the need for a strong, flourishing and reasonably united Europe that underlay the Marshall Plan, then what was a dream in the period 1947-1950 might still become reality.

—George Kennan, speaking last year at a Berlin conference on the Marshall Plan (transAtlantic Perspectives, Washington).

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مركزنا العربي

DUKAKIS: BUSH: Voters Feel Safe With Republican 'Gentleman'

Looking Ahead (Continued from Page 1) staunchest supporters, sent to Secretary of State George P. Shultz last week, criticizing the opposition of Israel's prime minister, Yitzhak Shamir, to the Shultz initiative in the Middle East.

Last week in New York, Mr. Gore assailed Mr. Dukakis for backing the letter, but a Dukakis adviser, Christopher Edley, said the speech Saturday was "in no way a rollback" and "was not intended as a response to Al Gore."

Mr. Jackson overwhelmed Mr. Dukakis in Democratic Party caucus Saturday in the U.S. Virgin Islands to win three delegate votes. The Associated Press reported from the capital, Charlotte Amalie, that Mr. Jackson won 634 votes to 37 for Mr. Dukakis. They were the only candidates on the caucus ballot.

Arms-for-Hostages Plan Rejected by U.S. in '80

MIAMI — The Carter administration considered — and then rejected — an Iranian offer to trade up to \$10 million in military spare parts for 52 American hostages held at the U.S. Embassy in Tehran in 1980, The Miami Herald reported Sunday.

Quoting newly declassified government documents, the newspaper said the plan was canceled because U.S. officials believed the man who offered the deal, Houshang Lavi, an Iranian-born arms broker in New York, did not have the backing of Ayatollah Khomeini, the Iranian president at the time.

(Continued from Page 1) solid, safe, steady and dull better than they like dazzling and dangerous. Republicans across the country who plan to vote for Mr. Bush concurred. "We don't need somebody who's causing constant waves," said John Catrona, 29, a computer consultant from Long Island. "I think he's done himself a lot of good by just keeping quiet. He's above the nonsense."

Mr. Bush earned his chance, and he is well suited to the Republican Party's sense of order. He jokes that he has been keeping his char-

ma in check for eight years so as not to overshadow Mr. Reagan. In the end, being a good soldier was more important than glamour and gumption.

Morton Cook, a retired milk industry executive from New Smyrna Beach, Florida, who plans to vote for Mr. Bush, said: "Let's face it. He's not the most charismatic person in the world. His voice and looks don't come across on TV and as an attention-getter. You'd rank him down the list. But I think he would be as close to anyone to following the Reagan policies."

Sandinist Soldiers and Contra Rebels Hold Their Fire Over the Weekend

MANAGUA — The Nicaraguan rebels and the army held their fire over the weekend in the country's first formally agreed truce in seven years of civil war.

The cease-fire took effect on Friday, the result of a preliminary peace accord signed on March 23. The agreement called for a 60-day truce and further negotiations here this week on a permanent halt to the fighting. Neither side complained of violations, and Nicaraguans celebrated their first peaceful Easter in years.

Each side called off offensive operations after the rebels and government officials met in Sapoa on March 21 for their first face-to-face peace talks on Nicaraguan soil.

Top rebel and government leaders were to gather in Managua on Wednesday to resume talks on how to achieve a lasting peace. But Saturday, the truce said they wanted to delay talks with the Sandinist government for a week. The gov-

ernment called on the contras to stick to the original timetable. A rebel leader indicated the contras wanted more time for technical commissions of both sides to work out details of the five zones inside Nicaragua, where rebel forces are to gather under the cease-fire accord. (AP, Reuters)

2 With Heroin Seized At Airport in Moscow

MOSCOW — Customs officials at Moscow's Sheremetyevo Airport have seized smuggled heroin with a street value of \$10 million, the newspaper Komsomolskaya Pravda reported Sunday.

It said an African youth accompanied by a woman had been found with a false-bottomed suitcase containing nearly 15 kilograms (33 pounds) of heroin during a one-hour stopover in Moscow on a flight from New Delhi to Cotonou, Benin.

Marlin Fitzwater, the White House spokesman, said in Santa Barbara, California, near where Mr. Reagan is vacationing, that there have been any number of offensive plans raised, but to this point they have been rejected.

He said that the Pentagon's decision to send 1,300 additional military personnel to Panama next week was not part of a broader plan. The 1,300-man detachment, he said, was "to be sure we have enough troops to protect our 40,000 citizens there."

Mr. Fitzwater said Mr. Carlucci had recommended to Mr. Reagan that the 1,300 army, marine and air force personnel be sent to Panama as a precaution and that the president had agreed.

PANAMA: SHULTZ: U.S. Secretary in Israel GAZA: Israeli Offensive

U.S. Planning (Continued from Page 1) reasons the idea of Israel surrendering the territories.

Mr. Shamir has proposed a plan to give the Palestinian inhabitants of the territories limited autonomy while delaying any decisions about their final status.

However, Mr. Shultz, in his arrival statement, pointedly made it clear that the United States continues to base its plan on the "land for peace" formula embodied in the UN Security Council Resolution 242.

In a clear rejection of the Likud's frequent assertion that it complied fully with Resolution 242 when it returned the Sinai Peninsula to Egypt in 1979, Mr. Shultz said in his arrival statement and in the television interview:

"Each of these negotiations must be based on Resolution 242 which applies on all fronts."

In the TV interview, Mr. Shultz reiterated the U.S. position that the council is not part of the PLO, and he rejected the idea that he should refuse to meet with "distinguished Americans because you don't like their ethnic identity."

Mr. Peres, noting that Mr. Shultz was arriving during the Jewish festival of Passover, recalled that last year the secretary was in Moscow and attended a Passover seder at the U.S. Embassy for Jews who had been refused the right to emigrate.

Mr. Peres said the same dissidents who were at the Moscow seder now are in Israel and that Mr. Shultz would see them Monday.

Shamir Is adamant In Jenin, on the Israeli-occupied West Bank, Mr. Shamir said earlier Sunday that Israel would never agree to peace talks with its Arab enemies while the Palestinian uprising in the West Bank and Gaza Strip continued, United Press International reported.

Mr. Shamir said he planned to tell Mr. Shultz that Israel would never give up control of the occupied territories, which were seized during the 1967 war.

Shultz said he would like an Israeli response while he is in the Middle East.

"He conceded, though, that such a prospect is unlikely, and he emphasized that he would continue his peace efforts even if Mr. Shamir and others still were unwilling to accept the U.S. plan.

"We don't say accommodate us, or we'll go home," he said. "But it's important to get the ball rolling."

"Israel needs peace and security," he added. "All of us who are her friends are trying to help her get there. Let's seize the opportunity and make the most of it."

In the TV interview, Mr. Shultz also rejected Israeli charges that his recent meeting with two Palestinian-Americans who are members of the Palestine National Council was a back-door evasion of U.S. promises not to deal with the Palestine Liberation Organization.

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American Exchange Options

Table with columns for Option & price, Calls, Puts, and various stock symbols like AAPL, IBM, etc.

Chicago Exchange Options

Table with columns for Option & price, Calls, Puts, and various stock symbols like IBM, GM, etc.

NASDAQ National Market

Large table with columns for Sales in 100s, High, Low, Close, and various stock symbols like IBM, AAPL, etc.

Barcelona

BARCELONA — A Catalan referendum on the future of the region is set for the second round of voting in four weeks, it was learned Sunday.

938: Catalonia

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Left Right Behind... n Left Right Behind... n Left Right Behind...

EUROBONDS

'Record' Market Activity Is Another Dollar Distortion

By CARL GEWIRTZ
International Herald Tribune

PARIS — Activity in the international bond market set a record high in the first quarter, Salomon Brothers reported last week. A total of \$58.3 billion was raised in the bond market, up sharply from \$28.7 billion in the crisis-weakened previous quarter. While there is no doubting the impressive rebound from the fourth quarter of 1987, the latest figures do give an exaggerated view of just how robust activity was in the first quarter.

At face value, the figures seem to belie the contraction now under way in the Euro market's infrastructure as financial institutions fire staff and cut back commitments to various sectors of the market because of declining volume and profitability. Two factors account for the apparent contradiction:

• An increasing amount of international business is being routed through domestic markets. Euro money, for example, reports that first-quarter activity in just the Eurobond market was down 10 percent from the year-ago period at \$43.8 billion.

In addition, the figures do not fairly reflect what has been happening because of the distortion of translating total activity into a common currency, the U.S. dollar, which is trading at or near historic lows on the foreign exchange market. This distortion is amplified by the fact that a near-record amount of business originated in currencies other than the dollar.

In the latest period, bonds denominated in dollars accounted for 29 percent of total volume, little changed from the record low 28 percent of the previous quarter.

Traditionally, the dollar has accounted for more than half of total new-issue activity. But overall last year the dollar took only a 36 percent share of the market, down from 54 percent in 1986.

Salomon Brothers reports that the bulk of the first-quarter activity was denominated in currencies that have appreciated the most strongly against the dollar. These are the yen and Deutsche mark-bloc currencies, including the Swiss franc, guilder and European currency unit, which together accounted for 46 percent of total volume.

THE DOLLAR'S fall from favor reflects the disappointment of retail investors with the currency's performance as well as institutional dissatisfaction with trading difficulties in the secondary market. These days, investors who want dollars focus on the domestic U.S. market rather than the Euro market. At the same time, borrowers who in the past would have issued floating rate Eurodollars now offer paper in exotic currencies such as the Australian and New Zealand dollar or other high-yield currencies, such as sterling or Canadian dollars, and swap the proceeds into floating rate dollars.

Natural borrowers for fixed-rate dollars, U.S. corporations, are currently out of the international market. Investors do not want to buy dollars or paper issued by U.S. firms whose credit ratings can deteriorate overnight.

U.S. issuers accounted for just under 7 percent of total first-quarter activity, well below the market share of 20 to 30 percent they have traditionally held.

This no doubt accounts for the disappearance of both Salomon Brothers and Goldman Sachs from Euro money's list of the 20 top Eurobond underwriters. Its first-quarter listing, however, still includes four U.S. firms. Merrill Lynch returned after an absence to the top 20, securing sixth place. J.P. Morgan slipped to ninth from eighth; Bankers Trust joined the list for 10th place, and Morgan Stanley slipped to 16 from seventh last year.

The Americans no doubt owe their positions in the top 20 to their capacity to write swaps and thus capture business that might otherwise have gone to competitors.

Deutsche Bank displaced Nomura Securities as No. 1. A measure of how competitive the bank has become is Euro money's notation that Deutsche Bank managed close to \$5 billion of new issues, nearly equal to its total 1987 activity of \$7.8 billion.

The Japanese again took the lion's share of business, with Nomura taking second, Daiwa, fourth; Yamaichi, eighth; Nikko, 15th; LTCB International, 17th; and IBJ International, 18th. This is one less than the Japanese secured last year as Bank of Tokyo did not make the current top 20.

Credit Suisse first Boston, the longtime holder of first place, took third position.

Among British firms, S.G. Warburg moved to seventh from 11th place, Baring Brothers slipped to 19th from 18th and Barclays de Zoete Wedd joined the list as No. 20.

The British have also made a strong showing at the opening of the second quarter thanks to the continuing popularity of sterling with international investors.

A third of last week's new issues were denominated in sterling with Creditanstalt, the European Investment Bank, the Industrial

See EURO BONDS, Page 9

Currency Rates

Table with columns for Currency, Bid, Ask, and other market data. Includes entries for Australian Dollar, Canadian Dollar, etc.

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Last Week's Markets

All figures are as of close of trading Friday

Table with columns for Market Index, Date, and Change. Includes entries for S&P 500, Nikkei 225, etc.

Veteran of Chip Wars Guards a Silicon Jewel

Intel's Monopoly Worries Industry

By Andrew Pollack
New York Times Service

SANTA CLARA, California — In company presentations, Intel Corp.'s president, Andrew S. Grove, displays a cartoon that depicts Intel as a castle. Attackers are coming from all directions brandishing a variety of weapons — lawsuits, competitive products and imitations of Intel's product — all after the jewel of the kingdom that is hidden inside.

The jewel is a piece of silicon smaller than a postage stamp that contains 275,000 microscopic transistors. And so far, Intel has protected its prize well, perhaps too well for the comfort of some of its customers. The personal computer industry and Wall Street are waking up to the fact that Intel has one of the most lucrative monopolies in the United States.

The company is the designer and sole supplier of its jewel, the 80386 microprocessor, a silicon chip that is the central component of the latest and most advanced personal computers made by International Business Machines Corp. and most other manufacturers.

There are other microprocessors on the market, but they do not easily run the industry's standard software. And while Intel licensed previous generations of its chips to other companies, it has kept control over the 386, as the chip is popularly known, except for giving permission to IBM to produce some for its own needs. Other makers of personal computers have no choice but to go to Intel. As a result, Intel not only has the jewel, it now rules the kingdom.

"It's got a lock on the market," said Adam Cuhany, an analyst with Kidder, Peabody & Co. Rajiv Chaudhri of Goldman, Sachs & Co. agreed: "It's awesome how well they are positioned."

Indeed, with the 386 in short supply for two years, just how Intel allocates the chip among its

customers can determine who will prosper and who will fade in the computer industry.

Intel insists it has been fair in its allocation practices. "We are very meticulous about all of that," said Mr. Grove, who said that Intel's supply would catch up to demand in a few months.

Still, some customers are uneasy. A fire in an Intel factory, they say, could put the brakes on the growth of the entire personal computer industry. Moreover, even if Intel can supply enough chips, prices would not fall as quickly as they would if there were competition.

"Intel will be controlling the price," said Safi Qureshey, president of AST Research Inc. of Irvine, California, a maker of personal computers and circuit boards.

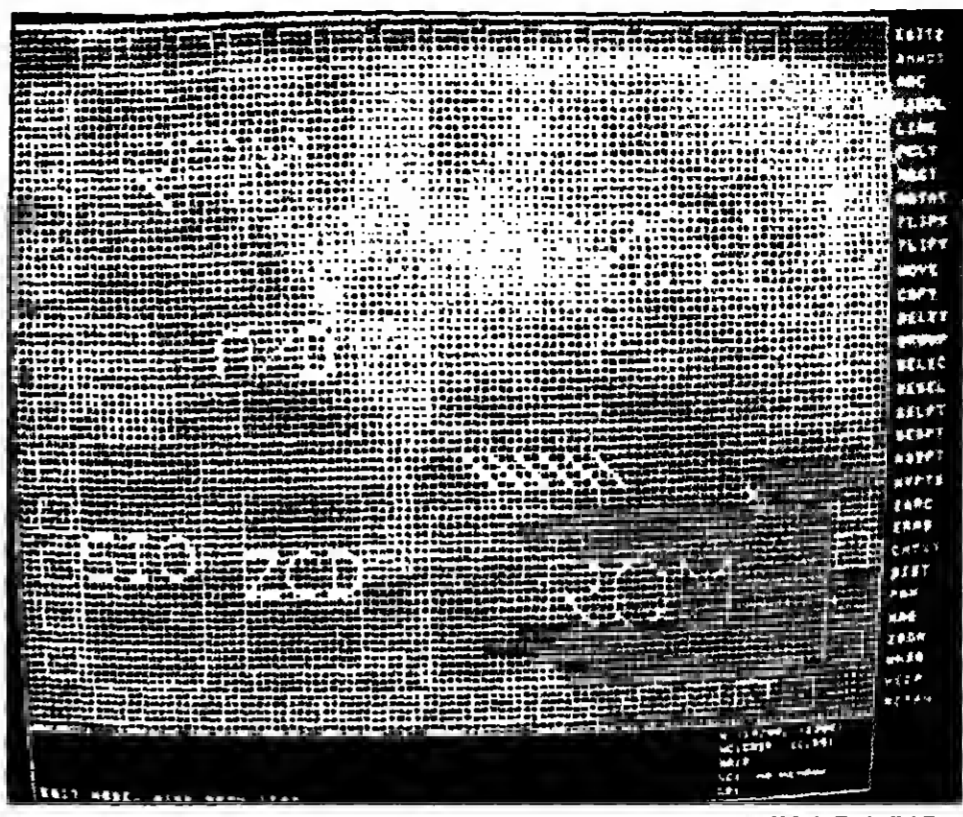
For Intel, the success of the 386 has been a boon, restoring luster to a 20-year-old company whose reputation as the most innovative and successful semiconductor maker in the world had been tarnished by setbacks in the last few years.

Last year, Intel's revenue grew 50 percent to \$1.91 billion. Profit reached \$248.1 million. Even excluding about \$90 million in extraordinary gains, that is still a dramatic turnaround from the \$173 million net loss in 1986.

Analysis expects sales to grow another 40 percent this year to \$2.6 billion and profits, excluding extraordinary gains, to more than double. If that rate were to continue, it wouldn't be too many years before Intel surpassed Texas Instruments and Motorola Inc. to become the largest American semiconductor company.

The 386 is not the only reason for this growth, but it is a large one. Personal computers using the new chip, like IBM's PS-2 Model 80 and the Compaq Deskpro 386, began appearing on the market only in the last year or so.

So far, the chips have been used in high-end machines. But



During the design of a chip, modules of past microelectronic circuits are manipulated on a screen.

sales should increase dramatically in the coming years as users shift to a new generation of equipment employing a new operating system known as OS-2. In 1987, Intel sold about 700,000 of the 386 chips.

This year it is likely to ship two million at an average price of almost \$250, making the 386 a half-billion-dollar product.

What is irksome to competitors is that there is a fair amount of luck involved in all of this. Intel has made as many mistakes and missed as many opportunities as any company, yet it still comes out on top.

Its archrival, Motorola, introduced its 68020 microprocessor, the direct competitor of the 386, two years before Intel did and some engineers believe it is a superior chip. Motorola sells the chip to Apple, Commodore and Atari as well as to companies like Sun Microsystems, which produce work stations, a powerful desktop computer used by engineers and other technical profes-

sionals. Last year the 68020 still outsold the 386.

In 1980, IBM chose an earlier generation of Intel processor, the 8088, as the key to its new personal computer, and the entire business personal computer industry, with the exception of Apple, then standardized around that. The PC industry now is locked into the Intel architecture, which is best suited to running the dominant MS-DOS and OS-2 operating systems.

"There is such a thing as luck," Mr. Grove said, "and then you grab it and exploit it." Intel aims to do just that. It realizes that competitors will eventually figure out how to compete with the 386. It also realizes that it is highly dependent on the personal computer market and could be vulnerable if that market slows.

So rather than merely defend its castle, Intel is initiating attacks of its own. On Tuesday, for instance, it will introduce a series of microprocessors intended for uses other than inside personal computers. On Wednesday, Sun Microsystems will introduce a family of work stations based on the 386, an announcement that will help push the 386 into the higher reaches of the computer industry.

Behind the moves is Intel's plan to transform itself from a semiconductor company into more of a computer company, or what it calls a microcomputer company, thereby escaping commodity pricing, Japanese competition and the capital-intensive nature of the semiconductor industry. "We are not a semiconductor company in a conventional sense," Mr. Grove said. "We are really a company that produces stuff for microcomputers."

How well Intel manages to capitalize on its temporary good fortune and make this transition could be the final test of the univariate of engineers that has led Intel since its inception and, in a few years, will be ready to pass on the mantle of leadership. It is a

See INTEL, Page 9

For World Stock Markets, a Strong Start to Year

By Alan Cowan
New York Times Service

NEW YORK — The first quarter of 1988, if nothing else, dispelled the popular notion that there is one synchronized, global market. It's a joke, said Maureen White, an international equity strategist at First Boston Corp.

When stock markets around the globe fell like dominoes last October, some U.S. investors, already leery of market manipulation, political risk and logistical headaches, used the crash as another reason to avoid investing overseas.

"Investors said, why should I send my money to Japan if I'm

going to lose it there too?" said Larry Binny, director of equity market analysis at Salomon Brothers.

But the first quarter's results should reassure them that the markets move to their own beat. While the U.S. equities market recovered 4.5 percent of its value in the first quarter, Morgan Stanley & Co.'s worldwide index of 19 countries' markets rose 11.9 percent.

To U.S. investors looking to convert their gains into dollars at the quarter's end, the worldwide gain would have been slightly less, 10.3 percent, because the dollar firmged against many currencies.

That compares with a 15.9 percent drop in dollar terms in the last quarter of 1987 and 14 percent for all of 1987.

"The case for global diversification is still very much in place," said Mark Stadler, vice president of international stock research at Morgan Stanley.

"The U.S. economy is growing less quickly than other economies and the U.S. represents less than a third of all available investments," he said. "And a lot of the companies in the U.S., like Firestone, are not even U.S. companies anymore."

But the American continent has

no lock on takers, as this quarter has amply shown. An American-style wave of takers has engulfed continental Europe, although these mergers are almost exclusively "by Europeans and for European companies," Ms. White said.

Industries such as food production, retailing and consumer products are consolidating in anticipation of new rules that will essentially lower the barriers to trade within the European Community by December 1992.

"These industries are quite fragmented by American standards," Ms. White said. In food production

alone, she said, "you've got 175 different mineral water suppliers in West Germany, 220 different types of cheese in France, and no pasta maker in Italy has more than 10 percent of the pasta market."

The Belgian market enjoyed a spectacular 40.8 percent run-up in local currency, or 33.4 percent when expressed in dollars, largely because of one stock, Societe Generale de Belgique, the country's largest corporation and the target of a heated takeover battle.

Sweden finished the quarter up 22 percent, or 20 percent in dollar terms.

Price decreases were reported for fuel oil, diesel fuel, natural gas and chlorine.

See STOCKS, Page 9

In U.S. Trade Talks, a Paper Tiger in the Hot Seat

By Stuart Auerbach
Washington Post Service

WASHINGTON — Trade Representative Clayton K. Yentzer was in the hot seat last week, pressed by House-Senate conferees about whether the Reagan administration would accept language they were drafting in landmark U.S. trade legislation.

Mr. Yentzer couldn't always give a definitive answer. Even though he is the cabinet-level official who is supposed to be the president's point man on trade policy, there were times when the best he could do was promise to fight for compromise language against some in the administration who "still prefer present law."

His dilemma underscores the diffuse way in which trade policy is set in the United States.

One of the major themes running through the trade bill — which, except for a few loose ends, was approved Thursday by congressional conferees — is the attempt to give Mr. Yentzer's office a more powerful voice in debates within the government on trade.

"We want to make USTR more important," said Representative Dan Rostenkowski, the Illinois Democrat who chairs the House Ways and Means Committee.

In the Reagan administration, Treasury Secretary James A. Baker 3d is the real power on trade policy, although he receives input from other cabinet officials, including Mr. Yentzer.

In an example of how other senior officials rule trade policy, Secretary of State George P. Shultz persuaded the cabinet to postpone for months a decision over retaliation against Japan, congressional sources say.

First the decision was delayed because a Japanese election was coming, and then because the new prime minister, Noburo Takeshita, was about to visit Washington, the sources said.

President Reagan's Council of Economic Advisers and the White House Office of Management and Budget "have as much influence over trade policy as USTR," a congressional source added.

Lloyd Bentsen, the Texas Democrat who chairs the Senate Finance

Committee, said that when he and Mr. Rostenkowski reached a final agreement in the closing hours of the trade conference, "Yentzer just couldn't tell us whether Mr. Reagan would accept the compromises they had struck."

"I don't fault him," Mr. Bentsen added, because trade officials "sit below the salt" in administration deliberations on trade. He said the

new bill would elevate trade officials to a better seat at the table, he added.

Rep. Bolton, a spokesman for the U.S. trade representative, disputed that view. He said it was "ridiculous" to think that Mr. Yentzer did not speak for the administration in his dealings with Congress.

"Yentzer cut deal after deal during this process where he thought it was appropriate," Mr. Bolton said. "He spoke for the administration throughout the process."

Another senior administration trade official agreed that Mr. Baker was the most powerful cabinet member on trade and other issues. But he maintained that the Office of the U.S. Trade Representative was not simply a paper tiger.

"We've really turned agencies around on issues where they've been dug in for years," the official said.

The power of the Office of Management and Budget and the Council of Economic Advisers is often cited as a threat in negotiations with Congress in a variation of the old police-interrogation technique, he added, in which one officer plays a good cop and the other a tough one.

But a former key trade negotiator for the administration, Clyde Prestowitz, said that foreign governments recognized the divided authority within the U.S. govern-

ment on trade and played on it to their own advantage. The Japanese make "a great effort to divide and conquer," he writes in a new book, "Trading Places."

"They knew they could count on the State Department and the NSC," or National Security Council, "to stop any action against them," Mr. Prestowitz said.

These balances of power change

from administration to administration. Robert Strauss, the special trade representative in Jimmy Carter's presidency, was legendary for the Texas-size power he brought to that job. And the Commerce Department had more influence under Malcolm Baldrige than it does under the current secretary, C. William Verity Jr.

But Congress views the trade divisions within the Reagan administration as critical, in part because of the do-nothing approach it took to mounting trade problems during the first five and a half years of the Reagan presidency.

This position was pushed by ideological free traders in the Treasury Department, OMB and the Council of Economic Advisers, who blocked any trade action proposed by Mr. Baldrige or Mr. Yentzer's predecessor, William E. Brock. As a result, Congress is seeking to institutionalize the power of the trade representative.

"We are reaping the fruits of inaction in the first five and years of the administration," one Reagan administration official said. There is "a pretty long list of things" in the trade bill "that we are not thrilled with."

Congressional conferees decided to transfer to the trade representative some of the president's statutory authority to retaliate in certain unfair-trade cases.

Congress realized that the trade

Japan Tax Change Starts Savings-Account Scramble

New York Times Service

TOKYO — The Japanese investment world has leaped into a scramble for an enormous pool of savings: \$2.4 billion in individual savings looking for a better way to grow.

The government started Friday to take a 20 percent slice of savings-account interest that had been tax-free for 25 years. Under a system known as *maruyaku*, Japanese were persuaded to put away a sizable portion of their disposable income into safe, low-interest bank and postal accounts. And thanks to them, Japanese industry had ready access for many years to a vast reserve of cheap capital.

But now that their savings are being taxed, millions of Japanese are expected to begin shopping around for higher returns. Even before Friday's change, securities firms, insurance companies and money-market managers were making their pitch for *maruyaku* cash.

According to several surveys, one-third or more of *maruyaku* account holders say they will put their savings somewhere else. Many economists expect a good portion of this money to flow into the Tokyo stock market. Anticipation of a surge in new investors bolstered share prices in recent weeks, they said.

Other likely attractions, financial analysts said, are investment trusts, gold and possibly also U.S. Treasury bonds and notes. Yields on 10-year Treasury bonds, about 8.5 percent, are double those of comparable Japanese government bonds.

"It's one of the most important policy changes by the Japanese government in the past decade, or even the postwar period," said Susumu Kato, chief economist for County NatWest, the investment arm of National Westminster Bank.

However, many analysts said that most *maruyaku* account holders want secure and convenient places for their money. To them, "stocks are too dangerous," said Koichi Tsukihara, a senior economist at Sumitomo Bank. Most, he argued, will leave their money where it is.

Mr. Kato and other experts are even more insistent that Japanese will not suddenly turn into free-spending consumers. Increased domestic spending was what the United States had in mind when it urged Japan to scrap the old system. Washington hoped some of that spending would be on U.S.-made imports.

The average Japanese family saves 16 percent of its income, about four times the U.S. rate. While that rate may start to dip, few economists expect old habits to change overnight.

"It may result in some incremental spending, but I don't think it's going to be dramatic," said David Gerstenhaber, an economist with Morgan Stanley. "I think it's going to be a non-event."

Yen Straight

Table with columns for Yen, Bid, Ask, and other market data. Includes entries for various currencies and financial instruments.

Review

Table with columns for AMEX Most Active, Bid, Ask, and other market data. Lists various stocks and their prices.

AMEX Stocks

Table with columns for AMEX Stocks, Bid, Ask, and other market data. Lists various stocks and their prices.

AMEX Dividends

Table with columns for AMEX Dividends, Bid, Ask, and other market data. Lists various stocks and their dividend information.

WestLB tsche Landesbank logo and text.

Advertisement for BSL Business School Lausanne and Indigo Take-off, including contact information and program details.

SPORTS

Swedes Upset Soviets, 2-0, in Soccer Final

Berlin — Sweden upset the Soviet Union 2-0 (0-0 Saturday) to win the four-nation soccer tournament. West Germany defeated world champion Argentina, 1-0, on a 30th-minute goal from Lothar Matthäus to clinch third place. Argentina, beaten in both matches, finished fourth. Sweden came to the tournament as the lowest-ranked of the four teams, but it beat West Germany in the opening round on an overtime penalty shootout and shocked the favored Soviet team with well-organized teamwork. Swedish goals came from Hans Eriksson in the 53d minute and Hans Holmquist in the 88th. The Soviets never found the flair and skill that carried them past Argentina, 4-2, in the opening round. They also paid the penalty for poor finishing in the first half of the final. The Soviets played without striker Igor Belanov, Europe's player of the year in 1982, and also dropped defender Vladimir Besonov from the side that beat Argentina. They had more chances in the first half, but faded thereafter as the Swedes began to rule the field with long, accurate passes that opened gaping holes in the defense. Coming up to check their opponents early, the Swedes disrupted Soviet pace and threatened with quick counterattacks. Swedish goalkeeper Thomas Ravelli had to make diving saves to stop shots by Oleg Protasov and Alexander Zavarov in the 30th and 33d minutes; six minutes later he stopped Protasov from close range and thwarted Protasov and Zavarov again before intermission. Sweden opened the second half strong. Soviet goalie Rimat Dasayev barely deflected a thundering shot by Robert Prytz; Eriksson pounced on the rebound, but Sav rose to palm the ball away. But one minute later, Holmquist sent a short pass from the right, and Eriksson flicked the ball in past Dasayev from close range. Eriksson netted again in the 67th minute, but Belgian referee Marcel van Langenhove disallowed the score, ruling that the Swedish striker had used his hand to put the ball into the goal. Sweden, completely dominating in the final part of the match, proved that its 3-1 victory in the Soviet Union last year had not been a fluke. Holmquist sealed the victory two minutes from the final gun when his free kick from 30 meters (64 feet) deflected off the Soviet wall and found Dasayev on the wrong foot. "We had several new players, but we found our game after the interval," said Swedish coach Ole Nord. "We had problems in the first half, but the game went just super after that." Yuri Morozov, the Soviet assistant coach, said his team was still tired from its match against Argentina. "We are still early in our domestic season," he said. "We were tired and we made mistakes," he said. "We were clearly the better team in the first half, but we didn't use our chances."



Sweden's Jonas Thern, beating Alexander Zavarov of the Soviet Union to the ball in Saturday's final.

SIDELINES

Prost Wins Formula 1 Opener Wire-to-Wire

RIO DE JANEIRO (Combined Dispatches) — Alain Prost of France led from start to finish to win Sunday's Brazilian Grand Prix, the opening event of the Formula One auto racing season. Recording a record fifth Brazilian victory, Prost, in a McLaren Honda turbo, completed the 306.891 kilometers (190.7 miles) in 1 hour, 34 minutes and 28.012 seconds. Austrian Gerhard Berger, in a Ferrari, was second, 11 seconds back; Nelson Piquet of Brazil was third in a Lotus Honda. From third position on the grid, Prost passed Nigel Mansell of Britain to take the lead before the first curve of the 5.031-kilometer track. (UPI, AFP)

Oxford Easily Beats Cambridge in Boat Race

LONDON (AP) — Oxford overpowered a younger Cambridge crew to win Saturday's 134th Boat Race on the River Thames. The winners covered the 4 1/2 miles (6.84 kilometers) in 17 minutes 35 seconds to win by 16 seconds and 5 1/2 lengths. Cambridge had a quarter-length lead over the first 200 meters, but Oxford — averaging a per-man weight advantage of 11 pounds (five kilograms) — soon overtook and moved steadily ahead. Oxford posted its 64th victory of the series; Cambridge has one only once in the last 13 races.

Long Shot Kingpost Wins Jim Beam Stakes

FLORENCE, Kentucky (AP) — Kingpost, a 21-1 long shot, withstood a stretch run by two challengers on a muddy track Saturday to win the Jim Beam Stakes and establish himself as a Kentucky Derby candidate. Brian's Time, the Florida Derby winner and the favorite here, drew up the rear of the 11-horse field early in the 1-1/8-mile (2,010-meter) race, but a stretch run on the outside with Stalwart. The photo finish showed Kingpost the winner in 1:50.475, with Stalwart second and Brian's Time third. The Jim Beam is a stepping-stone to the Kentucky Derby, which will be run May 7.

Lyle Leads U.S. Golf

GREENSBORO, North Carolina (AP) — Sandy Lyle of Scotland surged past Jeff Sluman to take a three-stroke lead after Saturday's third round of the Greater Greensboro Open golf tournament. Lyle came from two shots off the pace with a 4-under-par 68 and tied the tournament scoring record for 54 holes at 199, 17 under par. Sluman, who led through the first two rounds, slipped to a 73; on Friday, he had a 65 and Lyle, a former British Open titlist, a 63. Lyle is seeking his second victory of the year on the U.S. tour. A 69-204 put Ken Green's in third place going into Sunday's final round. Scott Hoch was next at 72-206.

Solution to Friday's Puzzle. A crossword puzzle grid with the following words filled in: PUMA, MOAB, FLIC, OBIT, ERGO, RENAL, TISWISSDOM, OUTRE, LORNA, BAT, INA, PIE, KEIR, THOMAS, SHAGS, NEMO, UELE, INDOOR, LUNAS, SOMETIME, QETIN, STEVIE, AREO, ALEG, OREAD, FULLER, SAAR, RNA, ONA, MOI, TRIAL, ONICE, SEEMAFOL, TENON, ARNO, ROBE, LEIND, WEAR, OKTIE.

A crossword puzzle grid with some numbers filled in, indicating starting positions for words.

- ACROSS: 1 Savory jelly, 6 Vegetables, 10 Fish or singer, 14 Kind of surgeon, 15 N.Y.U. is one, 16 Margarine, 17 Famed twosome, 20 Cattle locales, 21 Utah city, 22 Corn unit, 23 Stallone's nickname, 25 Streets and or Streep, 28 Baden-Baden, e.g., 29 Bible book, 33 Restrict, 34 British gun, 35 Fall guy, 36 Anonymous trio, 39 Nobelist, Wiesl, 40 Penitential season, 41 Addition, 42 Marries, 43 Assistance, 44 Beams, 45 Small hotel, 46 Constructor, 48 Raced, 51 Bunch of grapes. 55 Apocalyptic, 59 Bridge seat, 60 Decree, 61 Slur, 62 Picnic intruders, 63 Chooses, 64 Goat antelope. DOWN: 1 Also, 2 Char, 3 Cougar, 4 Work on laundry, 5 Symphonic compositions, 6 One who, 7 Football-pass catches, 8 Clen's snake, 9 Pig pen, 10 Nobelist Niels, 11 "I cannot tell, 12 Part of a baseball, 13 Mayday's cousin, 18 Cry of discovery, 19 Playing, 23 Used up.

© New York Times, edited by Eugene Malachuk.

DENNIS THE MENACE. A cartoon strip showing Dennis the Menace in a kitchen, looking at a bunny. He says, "YOU GOT RIPPED OFF, MOM. THIS BUNNY IS FULL OF AIR!"

JUMBLE. THAT SCRAMBLED WORD GAME by Henry Arnold and Bob Lee. Includes a grid of letters and words like ERQUE, POUMI, TANIAT, CIPTD. Instructions: "Unscramble these four Jumble words letter by letter to form four ordinary words." Answer: "What you'd expect a good tongue sandwich to do—SPEAK FOR ITSELF."

WEATHER. Table with columns for EUROPE, ASIA, MIDDLE EAST, OCEANIA. Rows list cities like Moscow, London, Paris, Tokyo, Sydney, etc., with high and low temperature forecasts.

MONDAY'S FORECAST — CHANNEL: Rough. FRANKFURT: Fog. Temp. 12-15 (53-59). LONDON: Fog. Temp. 12-15 (53-59). PARIS: Fog. Temp. 14-17 (57-63). ROME: Rain. Temp. 11-19 (52-66). TEL AVIV: Not available. ZURICH: Cloudy. Temp. 13-15 (55-61). BANGKOK: Foggy. Temp. 28-35 (82-95). HONG KONG: Rain. Temp. 19-26 (66-79). SINGAPORE: Thunderstorms. Temp. 23-31 (73-88). TOKYO: Fog. Temp. 17-21 (63-70).

PEANUTS. A cartoon strip showing characters in a classroom setting. One character says, "SIR, HERE'S THE TRIANGLE THAT I BORROWED." Another says, "SIR?"

BLONDIE. A cartoon strip showing Blondie and Dagwood. Blondie says, "NOT YET, POLKS." Dagwood says, "WAIT, WAIT." Blondie says, "THIS IS HIS STOP NOW!"

BEETLE BAILEY. A cartoon strip showing Beetle Bailey. He says, "THIS WILL BE THE 1,000th TIME YOU BEAT ME UP." Another character says, "NO KIDDING? HEY, THIS CALLS FOR A CELEBRATION!" Beetle Bailey says, "GO GET CLEANED UP AND WE'LL GO GET A PIZZA AND A BEER."

ANDY CAPP. A cartoon strip showing Andy Capp. He says, "STRETCHER—!!". Another character says, "ARE YOU TRYING TO BE FLYING? GET ON YOUR FEET—!!". A third character says, "THE BASIC CURE-ALL FOR PLAYERS IN THIS DISTRICT IS THE SAME AS FOR WIVES — PULL YOURSELF TOGETHER, MATE!"

WIZARD OF ID. A cartoon strip showing a wizard. He says, "MAKE WAY FOR THE KING!". Another character says, "BE KING ORE, REMEMBER, THE KING SHALL INHERIT THE EARTH!". The wizard says, "THAT'S RIDICULOUS... HOW COULD THEY AFFORD THE GIFT TAX?"

REX MORGAN. A cartoon strip showing Rex Morgan, M.D. He says, "WHEN DR. MORGAN ASKS LINDA IF SHE RECALLS INJURING HERSELF ON THE SIDE OF HER CHEST OPPOSITE THE RECENT INJURY, SHE DENIES IT!". Rex Morgan says, "I DON'T RECALL HURTING MYSELF. WHY DO YOU ASK?". Rex Morgan says, "THERE'S A HEALED RIB FRACTURE WHICH THE RADIOLOGIST BELIEVES MUST HAVE OCCURRED SOME THREE OR FOUR MONTHS AGO. I DO WANT TO DO SOME BLOOD STUDIES AND ARRANGE FOR YOU TO COME BACK IN ABOUT A WEEK."

GARFIELD. A cartoon strip showing Garfield. He says, "THE WORST PART ABOUT BEING IRRITATED BY AN INANIMATE OBJECT IS THERE'S NO RATIONAL WAY TO GET BACK AT IT". Garfield says, "FORTUNATELY, I AM NOT A RATIONAL PERSON."

WORLD STOCKS IN REVIEW / Via Agence France-Press

Amsterdam. Prices on the Amsterdam Stock Exchange marked time last week after losses that began the previous week were halted by some excellent corporate results and prospects of a reduced corporate tax rate. The ANP-CBS General Index finished a mere 1.1 points lower Thursday at 240.8, against 241.9 the previous Friday. With the holiday weekend approaching, investors were reluctant to take positions and volume remained thin. Volume was only 4.67 billion guilders, against 6.690 billion guilders the previous week.

Frankfurt. Prices on the Frankfurt Stock Exchange were hit by profit-taking last week after the run-up that began in mid-March. The Commerzbank index of 60 major shares finished the holiday-shortened week at 1,377.5 Thursday, down 2.4 points. Prices were buoyed by the successful privatization of Volkswagen. But volume was low, totaling only 8.4 billion Deutsche marks on the eight West German stock exchanges against 18 billion the previous week. Electrical issues were irregular, with Siemens losing 3.40 DM. AEG rose by 14.10 on news reports of an increase in the Daimler-Benz stake in the company. In autos, BMW added 4, but Daimler lost 10.50 and VW was off 1 DM.

Hong Kong. Trading on the Hong Kong Stock Exchange ended on a bullish note last week, with the Hang Seng index gaining a respectable 42 points after plunging more than 100 points the previous week. The key market indicator closed Thursday at 2,543.97 after oscillating 105.67 points the previous week. The broader Hong Kong Index ended 60.13 points higher at 1,699.99, almost making up for the 68.53 points it lost the previous week. Average daily volume fell to 790 million Hong Kong dollars from 910.12 million.

London. Prices on the London Stock Exchange were irregular in moderately active trading before the long holiday weekend. The Financial Times index of 30 industrial shares ended Thursday at 1,386.7, a 21.6 point loss for the week. Markets were again dominated by sterling's firmness as it surged Wednesday and Thursday on statements by the British chancellor of the Exchequer, Nigel Lawson. He appeared to reinforce the view expressed earlier by Prime Minister Thatcher that fighting inflation should be the priority. The share prices of major exporters were adversely affected as the pound's rise rekindled fears over the competitiveness of exports.

Milan. Prices on the Milan Bourse dipped modestly last week, with the Comit index finishing at 516.64 Friday against 520.59 a week earlier. Analysts said trading was irregular because of short-term speculative transactions and rumors in advance of the formation of a new government. A promising rise in stock prices was cut short at one point by a rumor of a new tax on large fortunes. Caution among traders and departures for the holiday reduced volume to an average of 44 million shares a day worth 187 billion lire. Montedison rose by 1.2 percent on the week, but other Ferruzzi Group issues dropped.

Paris. Prices on the Paris Bourse moved somewhat lower last week amid uncertainty about the U.S. economy, the dollar and developments in France should François Mitterrand be re-elected president. The week began with a sharp drop in the CAC stock index from 292 the previous Friday to 287.1 on Monday. It finished the short trading week on Thursday at 284.1. Analysts said there probably would be no marked trend on the Bourse until the April-May presidential elections are over.

Singapore. Prices on the Singapore stock market fell last week, with small investors squaring positions and institutional and foreign investors retreating to the sidelines. The Straits Times Industrial Index closed at 925.82 points Thursday, posting a loss of 19.78 points for the week. Volume for the week stood at 150 million units worth 161.8 million dollars, up 41 percent from the previous week. Dealers said the downward trend was influenced by a drop on Wall Street and a weak U.S. dollar. The market was closed Friday. With 5.91 million units traded, Faber Morlin topped the list of active stocks.

Tokyo. Prices on the Tokyo Stock Exchange soared last week amid anticipation of higher prices with the start of the new fiscal year Friday. The 225-issue Nikkei stock average, a key market indicator, closed on the week Saturday at 26,282.12 yen, up 961.40 yen from a week earlier. The index had fallen 675.54 yen the previous week. The TOSE composite index of all common stocks listed on the first section advanced 70.49 points to 2,141.26. It had fallen 64.08 points the previous week. Some analysts predicted that the average would reach a record high in the new week.

Zurich. Zurich stock prices began last week with a decline, recovered somewhat on Tuesday, and then stabilized for the rest of the week without regaining all lost ground. The indices were down about 2 percent from the week with the Credit Suisse index finishing previous Friday. The Swiss Bank Corp. index ended at 491.7, against 504.3. Traders attributed the decline to dollar weakness and said that volume was low. Credit Suisse lost 19 francs to finish at 2,250 while Union Bank of Switzerland dipped 90 to 3,020 and Swiss Bank Corp. by 22 to 331.

مكازم الصحف

كانا من الاصل

SPORTS

Defenses Carry Oklahoma and Kansas Into NCAA Title Game

Hustling Sooners Subdue Arizona by 86-78

By John Feinstein
KANSAS CITY, Missouri — For the first 37 games each played this college basketball season, the Oklahoma Sooners were all fire, America's run-and-gun team...

Manning Proves Too Much for Duke, 66-59



Kansas defenders (in this case Scooter Barry, arm upraised, and Chris Piper) held Danny Ferry to 7-of-22 shooting from the field.

KANSAS CITY, Missouri — Near the end of a season that had once seemed lost, Danny Manning and the Kansas Jayhawks used an overwhelming defense to build an early lead, then overcame exhaustion and a Duke comeback Saturday to beat the Blue Devils, 66-59, and advance to the championship game of the NCAA basketball tournament.



Oklahoma's Harvey Grant, here denying Tom Tolbert a ball off the boards, racked up 21 points and had a team-high 10 rebounds.

Sooner barely missed a beat. If there was a key possession, it came right after Elliott's three-pointer. Sieger threw up a poor three-point shot from the corner but the rebound came out long; as the Wildcats stood as if transfixed, Sieger grabbed it on a hop and put in his shot for a 64-57 lead.

SCOREBOARD

Table containing various sports scores including NCAA Semifinal Boxes, Women's NCAA, NBA Standings, NHL Standings, European Soccer, and Preseason Baseball.

VANTAGE POINT/Thomas Boswell

Baseball's Madness Resumes

Washington Post Service
WASHINGTON — Perhaps the only thing we know about major league baseball in the 1980s is that we don't know anything.

The Crack of a Bat

By Dick Roraback
Away on this side of the ocean
When the chestnuts are hitting green
And the first of the café commandos
Are moving outside for a time...

Transition

BASEBALL
DETROIT — Detroit's Matt Young, pitcher on the 15-day disabled list, will be replaced by...

Tennis

MEN'S TOURNAMENT
WCT FINALS (in Dallas)
Semifinals
Boris Becker, West Germany, def. Brad Gilbert, U.S., 4-6, 6-3, 6-2.

Vertical text on the left margin including 'EF'S', 'stan Borden', 'Harvey Grant', 'China', and 'Beaumont-Darr'.

BASEBALL OPENING DAY SCORES

See SPORTS, Page 15

No. 32,692 14/88

PARIS, TUESDAY, APRIL 5, 1988

ESTABLISHED 1887

Civil War Takes Its Toll on Eritrean City

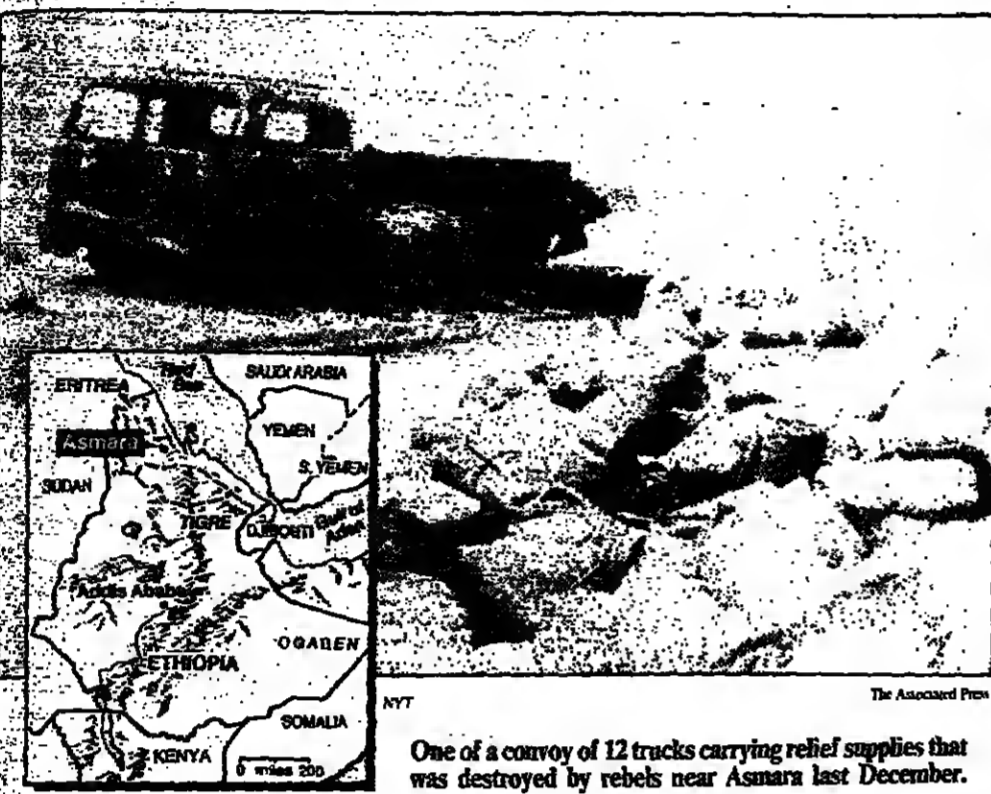
By Mary Batiata

Washington Post Service

ASMARA, Ethiopia — In the lobby of the Hotel...

last round of beer. They work for the United Nations...

That is the way it works in northern Ethiopia. Someone is always listening...



One of a convoy of 12 trucks carrying relief supplies that was destroyed by rebels near Asmara last December.

Kiosk Carbide Told To Pay Bhopal

NEW DELHI (NYT) — An Indian appeals judge ordered Union Carbide Corp. on Monday to pay 2.5 billion rupees (\$195 million) in immediate compensation for victims of the 1984 Bhopal gas disaster.

More than 2,000 people died and at least 200,000 were injured on Dec. 2-3, 1984, when toxic gas spewed from a pesticide plant run by a subsidiary, Union Carbide of India Ltd., in the central Indian city of Bhopal.

30 Colombians Slain

BOGOTA (Reuters) — At least 30 Colombians taking part in an Easter feast were slain Sunday by hooded gunmen in a village about 250 miles (400 kilometers) northwest of Bogota, the police reported Monday.

Tom King faces new problems as Britain's man-on-the-spot in Belfast

General News UN officials hope the Amal militia will live up to its vow to gain the freedom of a U.S. hostage.

A Kremlin scholar says more than 10 million farmers were "repressed" by Stalin during the 1930s.

Business/Finance For more than two years, IBM has supplied some competitors with computer chips.

Woodworth's stock price soared after Dart Group said it wanted to buy a substantial amount of stock.

Down 7.46 The Dollar in New York DM 1.6625 DM 1.8885 Yen 124.15 Yen 5.6045

For Jackson, Color Barrier May Fall in Wisconsin

By Bill Peterson

Washington Post Service

MILWAUKEE — Whether he wins or loses, the Wisconsin primary should go down as the place where the Reverend Jesse L. Jackson finally broke the race barrier.

Wisconsin is the first state where Mr. Jackson has significant support from white officeholders and union leaders.

Mr. Jackson, following an impressive victory March 26 in Michigan, had an extraordinary week in Wisconsin leading up to the state's primary Tuesday.

studied the issue say that when it comes to deciding who is allowed to buy Chinese weapons, a key factor usually is whether the buyer can pay for them.

According to one estimate, weapons sales represented 8 percent of China's total export earnings in 1986.

But as one Western diplomat pointed out, money is not the sole motivation: "China is also seeking long-term influence and recognition as a major player."

The Communist Party chief, Zhao Ziyang, and other Chinese leaders have emphasized repeatedly that "China will never get involved in the superpowers' arms race."

Saudi Sale Spotlights China as Arms Supplier

By Daniel Southerland

Washington Post Service

BEIJING — China's sale of intermediate-range ballistic missiles to Saudi Arabia is only one of a growing series of arms sales that earns Beijing much-valued foreign exchange and political influence.

Only nine years ago, China was a minor actor in the divided, oil-rich region, selling less than 1 percent of the arms pouring into the area.

China is still far from being in the same class as the world's top arms salesmen — the United States, the Soviet Union, France and Britain.

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U.S. Accuses Panama of Harassment

WASHINGTON — The State Department accused the Panamanian military on Monday of harassing Ambassador Arthur H. Davis of the United States and said that Washington would take all steps necessary to protect Americans in Panama.

A spokeswoman for the department, Phyllis Oakley, said that vehicles of the National Defense Forces had disrupted Mr. Davis's motorcade Sunday in Panama City, pursuing the ambassador's car with lights flashing and sirens blaring.

Despite Mr. Shultz's repeated assurances that the United States would not permit such a conference to impose solutions or serve as a substitute for direct talks, Mr. Shamir has contended that it would be a threat to Israeli security.

Beginning with an interview on Israeli television Sunday night, Mr. Shultz has embarked on a campaign to reassure Israeli public opinion and explain the U.S. view of the conference, which has been insisted on by King Hussein of Jordan to give international legitimacy to his participation in the peace process.

"Shultz's message is that the United States is being faulted for an international conference that it never proposed," the senior official said.

After the first of two lengthy meetings with Mr. Shultz on Monday, the prime minister said that



George P. Shultz, left, with Yitzhak Shamir in Jerusalem on Monday. Mr. Shultz seeks to revive the Middle East peace process and overcome Mr. Shamir's hostility toward an international conference.

What's Up With the Killer Whales of San Diego?

By Robert Reinhold

New York Times Service

SAN DIEGO — If killer whales could communicate with humans, as some experts believe they may someday, four of the whales at Sea World, a marine park in San Diego, might give answers to some profound questions:

Why did they turn on two of their trainers, nearly killing them? Are highly intelligent ocean creatures like these happy spending their lives in a big tank doing stunts for human audiences? Does the human species have the right to confine them for entertainment and profit, or even research? What, in short, is the proper relationship between the two most highly evolved species in the planet's two biological realms, land and sea?

Such are the questions that have been swirling around Sea World following 14 recent accidents with the whales' human trainers. Two were seriously injured when dragged under or struck by the whales, six adults and \$14.95 for children. A new

whale show began on March 23. The four whales, Orky, Corky, Shamu, and Kandoo, put on a dazzling show of leaps and back flips.

But for now the show does not feature bare-back riding or swim-alongs as it did in the past. The eight trainers in wet suits keep a respectful distance from the stars, the superstars of three — soon to be four — marine theme parks that have become the most profitable arm of a company that is desperately cash-hungry because its debt grew to \$2.7 billion last year fighting off a takeover by Robert Maxwell, the British publisher.

The three top managers of the San Diego park have been dismissed because of the accidents. But some critics charge that the ultimate blame lies with the higher management of Harcourt, for putting too much pressure on the whales and their low-paid, inexperienced trainers.

Last month, Sea World began yearlong festivities leading to its 25th anniversary. The park hopes to draw a record 4 million visitors this year, at \$19.95 a head for adults and \$14.95 for children. A new

Madison Avenue Tussle Titillating Fleet Street

By Steve Lohr

New York Times Service

LONDON — The Sunday Times of London dubbed it the "Lord Geller Saga," while The Independent called the defuncting advertising executives "the Gang of Six."

Madison Avenue's leading drama, the walkout last month by top executives from Lord Geller, Federico, Einstein and the suit filed against them by a unit of the agency's British owner, WPP Group PLC, has attracted an attentive audience in London as well.

The suit, filed in New York, seeks damages and an injunction to prevent the defectors' new agency from recruiting employees or clients from Lord Geller.

The interest in the tussle is not as rapt in Britain as on Madison Avenue, where the breakup group and its members' work are well known. Yet because major British advertising firms such as WPP and Saatchi & Saatchi hold a big share of the U.S. industry, the unfolding conflict is being closely watched not only by the local advertising community but also in the London financial district, which has financed the British takeovers of Madison Avenue agencies.

In London, the clash is viewed as a mixture of anglophobia and a test of the tactical abilities of Martin Sorrell, 43, WPP's chairman. But so far, the conflict is not seen as a

threat to WPP or to Mr. Sorrell's strategy of rapidly putting together one of the world's largest advertising and marketing companies.

The Lord Geller thing is an exciting pantomime, especially for Madison Avenue, said Neil Blackley, an advertising analyst for James Capel & Co. "But it should not have much effect on WPP."

Last summer, Mr. Sorrell stunned the American advertising industry when his little-known WPP bought JWT Group for \$566 million. JWT owned the world's fourth-largest advertising agency, J. Walter Thompson Co., and the big public relations firm Hill & Knowlton, as well as Lord Geller. Even before the takeover, Lord Geller, a smaller agency renowned for its creative flair, was chafing at the restrictions of being part of a large corporate group, JWT.

After WPP bought JWT, the controls under Mr. Sorrell, were even more confining. Mr. Sorrell, the former finance director of Saatchi & Saatchi PLC, had pledged to his financial backers at the time of the JWT acquisition that he would apply tighter controls on the organization to increase profits.

To some degree, the conflict between Lord Geller's management and WPP was seen as inevitable, regardless of the nationality of the acquirer. Nevertheless, memos dis-

Tibetan Gesture

By Edward Naditch

Washington Post Service

BEIJING — In Beijing on Monday, the Panchen Lama discussed China's offer to allow the Dalai Lama to resume residence in Lhasa if he abandons independence efforts.

China is still far from being in the same class as the world's top arms salesmen — the United States, the Soviet Union, France and Britain.

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New Tack On Shultz Peace Bid

Emphasis Is Now On Overall Plan, Not Conference

By John M. Goshko

Washington Post Service

JERUSALEM — Secretary of State George P. Shultz, seeking acceptance of his Middle East peace plan, sought Monday to circumvent Prime Minister Yitzhak Shamir's hostility to the proposal for an international conference by focusing on substance rather than procedures.

Mr. Shultz is in Jerusalem in an effort to revive the Middle East peace process after four months of violence by Palestinian inhabitants of Israeli-occupied territories.

The secretary's talks Monday took place against a background of a general strike and demonstrations in the occupied territories protesting his presence. Israeli troops killed an 18-year-old Palestinian, the 1224 Palestinian to die since the violence began in December.

A senior U.S. official said that Mr. Shultz, in his first full day of talks, put his emphasis on "the overall package" and tried to avoid past "excessive concentration on the international conference."

Referring to the letter sent by Mr. Shultz last month to Israeli and Arab leaders with the outlines of the U.S. plan, the official said Mr. Shultz reiterated Monday that the United States would not accept substantial changes in its plan for bringing about direct peace talks between Israel and Jordan.

"But," the official added, "what he did intend was to say that the letter was a skeleton. But you've got to put the flesh on the bones and get the blood pumping."

"There was movement on engagement with us on our overall proposition," the official said. "It was not a case of more arguing about the international conference which had popped out like a jack-in-the-box as a threat to Israeli security."

That was a reference to the call in the U.S. plan for an international conference, including the five permanent members of the United Nations Security Council, to serve as an umbrella for direct talks between Israel and Jordan on the future status of the Israeli-occupied West Bank and Gaza Strip.

Despite Mr. Shultz's repeated assurances that the United States would not permit such a conference to impose solutions or serve as a substitute for direct talks, Mr. Shamir has contended that it would be a threat to Israeli security.

Beginning with an interview on Israeli television Sunday night, Mr. Shultz has embarked on a campaign to reassure Israeli public opinion and explain the U.S. view of the conference, which has been insisted on by King Hussein of Jordan to give international legitimacy to his participation in the peace process.

"Shultz's message is that the United States is being faulted for an international conference that it never proposed," the senior official said.

After the first of two lengthy meetings with Mr. Shultz on Monday, the prime minister said that

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Beijing Eases Limit on Return Of the Dalai Lama to Lhasa

By Edward A. Gargan
New York Times Service

BEIJING — Chinese officials declared Monday for the first time that the Dalai Lama, the religious leader of Tibetan Buddhism, would be permitted to live in Lhasa if he returns from exile.

The Dalai Lama, who fled to India following the collapse of a rebellion against the Chinese occupation of Tibet in 1959 but who still commands extraordinary loyalty and devotion from Tibetans, has been alternately wooed and condemned by China.

[In London, the Dalai Lama refused to comment on the Chinese offer, saying he wished to avoid embarrassing the British government. Agence France-Presse reported from London.

"The invitation is always there, but it is also my right to decide whether I return or not," he told reporters on arriving for a 10-day visit.

Since his flight into exile, the Dalai Lama has repeatedly denounced the Chinese domination of Tibet and has, from various capitals, sought to publicize what he insists are violations of Tibetan human rights by the Chinese.

But Monday's announcement, made by the Panchen Lama, Tibetan Buddhism's second holiest per-

sonage, was the first public statement since violent anti-Chinese riots convulsed Lhasa last month that the Dalai Lama could reside in the Tibetan capital provided he abandoned calls for independence.

The Panchen Lama, who has been a vigorous defender of Chinese policies towards Tibet, also said that "leftism," an epithet reserved for die-hard ideologues who oppose China's contacts with the West and its economic and political restructuring, is rampant among officials in the region, so much so that the policies of the central government have been obstructed.

A member of the standing committee of the National People's Congress, the Chinese legislature, the Panchen Lama spoke in a rare news conference with foreign and Chinese reporters.

"Freedom of residence is prescribed in the country's constitution," said the Panchen Lama, speaking in his native Tibetan. The Dalai Lama "can choose to live anywhere in China, either in Beijing or in Tibet."

However, the Panchen Lama said, China would not allow him to continue to advocate independence for Tibet if he returns. Furthermore, until the Dalai Lama forsakes claims for independence, China will not negotiate with him.

Upon his return, the Dalai Lama would be made a vice-chairman of the standing committee of the National People's Congress, the Panchen Lama said. The post, which is now held by the Panchen Lama, is largely symbolic.

Expanding on sketchy official accounts of the demonstrations in Lhasa on March 5, the Panchen Lama said that more than 200 Tibetans were arrested after a protest in which thousands of Tibetans stoned police, smashed and burned cars and shouted for independence.

Altogether, the Panchen Lama said, as many as 10,000 people were present during the struggle that began in the square in front of the Jokhang Cathedral.

The Panchen Lama said that five people, including a Chinese policeman, were killed during the riot. Two demonstrators were shot to death, the Panchen Lama said, when Chinese policemen fired their weapons in the air "in self-defense."

He confirmed reports by Western witnesses to the demonstration that many Buddhist monks were beaten with clubs by Chinese policemen and, in some cases, he said, received "a really good beating."

Since the demonstrations, the Chinese government has banned foreign journalists from Tibet.



The Dalai Lama waving upon his arrival Monday in London.

WORLD BRIEFS

U.S. Cigarette Maker Wins Libel Case

WASHINGTON (Combined Dispatches) — The Supreme Court last Monday awarded a \$3 million libel award to a cigarette manufacturer against the CBS television network and an anchorman in Chicago.

The court rejected arguments that the judgment, one of the largest libel awards ever upheld on appeal, violated the rights of the network and Walter Jacobson of WBBM-TV, which is owned and operated by CBS. The suit was filed by Brown & Williamson Tobacco Corp., which makes Viceroy cigarettes. Mr. Jacobson said in a 1981 broadcast that Viceroy's advertising sought to attract young people to smoking by relating cigarettes "to pop, wine, beer and sex."

In a case involving the Korean Air Lines plane shot down in Soviet airspace in 1983, the court agreed to decide whether an airline loses its protection from a \$75,000 limit on liability in the deaths of passengers if it uses small print to inform them of their rights. (AP/UPI)

Iraq and Iran Exchange Strikes

BAGHDAD (Reuters) — Iraq said it fired a missile at the Iranian city of Isfahan on Monday in retaliation for a missile strike on its northern city of Kirkuk.

The Iranian missile hit a densely populated district of the city, the center of Iraq's oil industry, and killed or wounded an unspecified number of people, an Iraqi military spokesman said.

Iraq observed a unilateral halt to attacks on Iranian cities during a three-day visit to Baghdad by Prime Minister Turgut Ozal of Turkey, which ended on Sunday.

Mitterrand Won't Cut Pretoria Ties

PARIS (Reuters) — President François Mitterrand of France hinted Monday that he believed that South Africa was behind the murder of an African National Congress official in Paris, but he ruled out breaking off diplomatic ties with Pretoria.

Mr. Mitterrand, in an interview with Radio Monte Carlo, was asked whether he thought South Africa was responsible for the death of the ANC representative, Dulcie September, who was shot outside her office on March 29. "I have had my suspicions about the Pretoria regime for a long time," he said. "As for the murder of Dulcie September, I cannot confirm anything, even if my intuition tells me something about it."

Pretoria has denied involvement in the killing, suggesting that it may have been the result of factional fighting within the anti-apartheid group.

But Mr. Mitterrand said breaking off relations would not help South African blacks. "It would make it impossible, or at least very difficult, for us to help or bear witness to the tragic situation experienced by South Africa's black people," he said.

Doubts on Waldheim Saving Lives

LONDON (AP) — The World Jewish Congress said Monday that it was "highly unlikely" that President Kurt Waldheim of Austria saved the lives of several Allied prisoners of war facing execution by the Nazis in World War II, as recounted in a British newspaper on Sunday.

A former British fighter pilot, Bruce Ogilvie, 66, was quoted by The Sunday Times as saying Mr. Waldheim saved him and several other Allied prisoners from being passed to the Nazi SS when the prisoners met him at an airfield outside Athens on Nov. 19, 1943.

But the British office of the World Jewish Congress said Mr. Waldheim returned to German Army Group E headquarters in Aradski near Salonika on Oct. 4, 1943, when his duties in Athens, 500 kilometers (300 miles) away, were terminated. "Due to this chronology, it is highly unlikely that Waldheim had anything to do with Mr. Ogilvie's story," the congress said in a statement.

China Denies Arms Pact With Israel

BEIJING (AP) — China denied Monday that it had reached a secret arms agreement with Israel to buy advanced missile warheads and other weaponry.

"Such news is utterly groundless," a Foreign Ministry spokesman said in a one-sentence statement. Reports in The Sunday Times of London and the Sunday Morning Post in Hong Kong said a team of five Israeli military scientists went to Beijing in November and negotiated an agreement to sell missile warheads and armor-piercing shells developed by Israel.

The Sunday Times said there were indications that Israel was using technology from its canceled Lavi fighter plane to help China develop its own multipurpose combat fighter. On Sunday, the Israeli defense minister, Yitzhak Rabin, denied the reports, calling them "simply nonsense."

Priest Says Delhi Must Meet Sikhs

AMRITSAR, India (Reuters) — The Indian government must negotiate with the Sikh extremists who are waging a bloody separatist campaign if it hopes to end the killing in the state of Punjab, the top Sikh leader said Monday.

The leader, Jasbir Singh Rode, a militant high priest, said he could serve as an intermediary if certain conditions were met, but he said the government had to establish its credibility with the Sikhs. Mr. Singh was freed from prison last month in the hope that he could help the government end the violence that has taken more than 500 lives this year. More than 60 people died in the first three days of April, leading to expectations that Prime Minister Rajiv Gandhi would invoke a state of emergency.

"If there are any talks they must be with the militants, not with me," Mr. Singh said, adding, however, that he "could be the bridge between the government and the militants."

For the Record

The fifth round of talks on the future of U.S. bases in Greece will start April 12, a Greek government spokesman said Monday.

An expert in the race to develop high-temperature superconductors, Paul C.W. Chu, rejected efforts by the University of California at Berkeley to lure him from the University of Houston, according to published reports. (AP)

TRAVEL UPDATE

Cut-rate stopover tours from Aug. 26 to Oct. 15 will be offered by Japan, Thailand, Hong Kong, Taiwan and Macao to people holding tickets to the Summer Olympics in Seoul, a spokesman for the Tourism Authority of Thailand said. (APF)

Lightning in St. Petersburg, Florida, damaged the Sunshine Skyway Bridge's motorist warning system, a \$2.2 million network of blinking lights and flashing message boards, days before it was to begin operating, a state transportation official said. (AP)

Israelis Refuse Shultz Request On Subtitles

Jerusalem — Israel Television refused an American request to subtitle an interview with Secretary of State George P. Shultz in Arabic as well as Hebrew, authoritative sources said Monday.

U.S. officials asked that the interview, broadcast on the main Sunday evening Hebrew news shortly after Mr. Shultz arrived to resume his Middle East peace mission, be subtitled in both languages to reach the 2.2 million Arabs living under Israeli rule.

The Israel Broadcasting Authority "said they just don't do subtitles in Arabic on the Hebrew news," a source familiar with the negotiations said.

Israel Television, state-owned but run by an independent authority, broadcasts separate newscasts in Arabic.

The sources said the Americans did not make an issue of the refusal and were seeking other ways for Mr. Shultz to address the 700,000 Arabs in Israel and the 1.5 million Palestinians in the occupied West Bank and Gaza Strip.

SHULTZ: New Tack on Plan

(Continued from Page 1) they had "very good and basic discussions."

On Tuesday, Mr. Shultz is to fly to Amman, Jordan, and Damascus for talks with Jordanian and Syrian leaders. He is to return to Jerusalem on Tuesday night to report to Israeli leaders what he hears from Hussein and President Hafez Assad of Syria.

Like the Israelis, Hussein has neither accepted nor rejected the U.S. plan, but has sent a series of confusing signals.

"The Israelis are very interested in getting a sense of Hussein's position," the senior U.S. official said. A high-ranking member of the Labor Party, the partner of Mr. Shamir's Likud coalition in Israel's governing bloc, put in the matter even more bluntly in a private talk with reporters accompanying Mr. Shultz.

The official, connected with the Defense Ministry, said that Mr. Shultz should try to induce Jordan to accept the U.S. plan at least in principle. If that happens, the official replied, it would put Mr. Shamir and the Likud under heavy pressure to follow suit.

Later, a source close to Foreign Minister Shimon Peres said that Peres agrees with that assessment.

On Polish TV Aerials, a Twist of Pasta

By John Tagliabue
New York Times Service

WARSAW — The notion of spaghetti Westerns along the Vistula River in Poland may become a reality when Italy's principal state-owned network begins direct transmission of its full television lineup to Poland later this year.

Although the broadcast, under an agreement taking shape now, will be limited initially to Krakow, in southern Poland, this will be the first time that a Western network has had unhindered access to East bloc airwaves. Some Poles are already learning Italian.

The accord illustrates the push by international television networks into the East bloc. Viewers in East Germany have long been able to watch West German television, while parts of Czechoslovakia and Hungary receive programs from West Germany and Austria. Parts of Yugoslavia watch Italian television.

Stefan Staniszewski, the Polish Foreign Ministry spokesman, explained why the Poles chose the Italian RAI National Program. He said in an interview with the Warsaw daily Zycie Warszawy that the Italian language — which he described as "relatively easy to learn" — played a role.

He added that Italian television possessed

a "national and popular character" that "also carries values that can bring satisfaction to Polish viewers."

The Italian television venture reportedly enjoyed the vigorous support of Pope John Paul II. The choice of Krakow, the pope's former diocese, as a broadcast target may have been influenced by this support.

Although the principal Italian state television network offers a full range of entertainment, news and documentary programs, its conservative political tendencies and broad attention to Vatican and church matters have prompted many Italians to refer to it as "the pope's channel."

Polish television fare now includes two state-run channels, plus the Soviet First Channel, which can be viewed in the Warsaw area.

Increasingly, though, Poles with sources of hard currency, or large incomes in zlotys, the Polish currency, are strapping satellite antennas to their roofs and picking up international satellite broadcasts.

There also are video recorders, estimated to number as many as 700,000 in a population of 35 million. Video recorders are purchased with hard currency and cost about \$450 to \$500.

Piotr Gaweł, a specialist on the subject, wrote in the weekly Polityka newspaper that, given the acute shortage of consumer goods in Poland, video recorders have emerged as a status symbol Poles will sacrifice much else to obtain.

Officially, the government says the Italian venture reflects the thaw in East-West ties and acknowledges the emergence of a global electronic village.

Describing such international cooperation as "the beginning of a certain process," Mr. Staniszewski said that "its speed and range will obviously depend on the development of the situation in Europe, and in the world, and particularly on East-West relations."

The Italian lineup, which will be broadcast via satellite, reflects the government's efforts to woo Poles by offering livelier television fare. Cultural bureaucrats have beefed up the amount of entertainment and feature films, and for several months have offered a late Saturday night festival with the ambitious title "Eros and Literature," which masks showings of French-made soft pornography.

Bits of the U.S. Cable News Network news programs are shown on Polish television, although they are always matched by news from Soviet state television.

MISSILE: Chinese Sales Expand

(Continued from Page 1)

much lower prices than those charged for sophisticated Western weapons.

According to experts, China has made its biggest sales to Iran and Iraq and recently became Iran's largest arms supplier. It has sold weapons to Libya and at one time even made a short-lived deal with Lieutenant Colonel Oliver L. North, the U.S. National Security Council aide who sent weapons to the contra forces in Nicaragua before he was dismissed.

The Far Eastern Economic Review, a Hong Kong-based magazine, reported that Colonel North negotiated the deal in late 1984 at a meeting with a Chinese defense attaché in Washington. The Chinese later reversed themselves and cut off the aid to the rebels after deciding to befriend the Sandinist government, a diplomat said.

Chinese spokesmen have denied selling Silkworm missiles to Iran or small arms to the contra, but diplomats say they have conclusive evidence of those deals.

Under Mao Zedong, China sought political influence among developing countries by donating arms rather than selling them. But after Beijing launched its economic development drive after Mao's death in 1976, the nation became more concerned with earning hard cash.

Western experts are uncertain where all the money from the weapons sales goes. They do know that some of it is used to purchase Western technology for the Chinese armed services.

In the Middle East, the turning point for Chinese arms sales came in the summer of 1979, when President Anwar Sadat disclosed that Egypt was buying 50 jet fighters from the Chinese. The Egyptians subsequently purchased Chinese missiles, patrol boats and submarines.

Chinese defense attachés stationed in 60 countries also have helped expand China's arms sales to a total thus far of at least 30 nations.

Western experts say that Latin America may become the new frontier for Chinese arms sales. Beijing has been trying to break into that market for several years and has had initial success in Chile, experts say.

A European arms dealer said that in coming years, the Chinese are likely to expand their sales of naval equipment, including frigates, which are much larger ships than what the Chinese normally sell.

RELIEF: Spies Lurk Among Aid Workers in Ethiopia

(Continued from Page 1)

streets, and stylish villas the color of honey and marmalade.

Europeans called Asmara the most beautiful city in Africa. The Africans who lived there loved it, too. Many children who have gone on to fight for the rebels grew up and went to school in Asmara, where they learned to speak Italian and to think of themselves as citizens of a country called Eritrea. It was the most modern region in the Horn of Africa. It had roads, railways, ports and, compared with Ethiopia's feudal and fawning aristocracy, a modern political system.

When Eritrea was annexed by Ethiopia in 1962, in violation of a UN understanding that the region should have its own government, Asmara's troubles began. "Eritrean" schoolboys and their fathers rebelled at the notion of being folded into imperial Ethiopia. They retreated to the mountains and began to plan for war.

They, their sons and grandsons are still fighting. In their Asmara bunkers they talk about Asmara the way an exiled Frenchman talks of Paris. The streets are clean in Asmara, they say. Even for the young ones who have never seen it, the city is the symbol of their once and future selves.

After a long and murderous internal struggle, the rebels have distilled into one organization, the Eritrean People's Liberation Front,

with an army regarded as one of the best in Africa.

Though it is Marxist itself, the front was not moved by the Marxist revolution that swept the aging Emperor Haile Selassie out of power in 1974. Nor did it disappear in 1976, when the Soviets, who had been supporters and allies, switched sides and began supplying the Ethiopian Army with advisers and equipment.

Over the years, the rebels and the government have pounded away at each other in the north, and the reach of their conquests has expanded and ebbed like a bloody tide. The rebels recently announced that they had taken yet another major town in Eritrea and had wheeled their artillery within range of another. After that, there is only Asmara. Or what is left of it.

In fact, Asmara is dying, a victim of war and drought, ideology and hatred. The streets are not so clean anymore, and the villas are crumbling, crowded with poor families living five to a room.

The population of Asmara has nearly doubled in the past five years. No one is sure where the people came from; the best guess is that they were mountain farmers who flooded to food camps during the last famine and never went back. There are no jobs for them as industry has stagnated since the revolution.

In fact, the only growth industry these days in Asmara is relief. The

PANAMA: Warning by U.S.

(Continued from Page 1)

try denied Monday that Mr. Davis had been harassed. It said that a police sergeant decided to follow the ambassador after witnessing an "exaggerated display of automatic arms carried by men in civilian dress" in three cars accompanying Mr. Davis.

The United States has called repeatedly for General Manuel Antonio Noriega, chief of the defense forces, to step down as the de facto Panamanian leader and to leave the country. General Noriega, who is under indictment in the United States on drug charges, has shown no sign of capitulating.

In a letter to Mr. Jackson, which was released Monday by the candidate's campaign staff, General Noriega asked him to help end U.S. "intervention" in Panama.

In his letter, General Noriega said: "You can quickly do a lot to help, by eliminating one of the principal causes of the suffering of many Panamanians. In other words, the foreign intervention."

Mr. Jackson, campaigning in Milwaukee, said he favored the removal of General Noriega and appealed to him to step down.

■ **Driver Knew Not to Stop**

Earlier, Loren Jenkins of The Washington Post reported from Panama City.

Terrence Kneebone, a spokesman for the U.S. Embassy in Panama City, said that Mr. Davis's limousine was followed by a National Defense Forces police truck as it left the residence of the papal nuncio.

Panamanian policemen chased the car carrying Mr. Davis on Balboa Avenue, along the seashore. About halfway to the ambassador's residence, the police truck turned on its flashing lights and siren.

The "driver's instructions in cases such as this are not to stop," Mr. Kneebone said. "He did not, and drove the ambassador straight to his house where the gates were closed" behind the car.

It wasn't simply a matter of life or death. It was more important than that.

The first highland malt whisky in Scotland to be given a producers licence under the 1823 Act was The Glenlivet. Rival whisky makers were so jealous that they threatened to burn The Glenlivet Distillery to the ground.

So it was guarded night and day by George Smith, The Glenlivet's founder, with a brace of pistols. To protect his precious whisky he was prepared to lay down his life.

Of course, no whisky on earth is worth such a sacrifice.

But perhaps in the case of The Glenlivet?

The Glenlivet
12 years old single malt whisky.

WHALES: Many Tough Questions Arise About the Orcas of San Diego

(Continued from Page 1)

lick. 26, while he was riding on the back of another. He suffered a broken back, hip, pelvis, leg, and ribs and has undergone two operations.

Two weeks later, the three top managers at Sea World were dismissed. They were Jan E. Schultz, the president; Lanny Cornell, the chief zoologist; and David Butcher, the chief trainer. Mr. Schultz sued, saying that he had been dismissed "in bad faith and unfairly" and made a "scapegoat" for the accident, but he has now asked that his suit be withdrawn, suggesting an out-of-court settlement has been reached.

The troubles at Sea World began soon after it acquired a competing park, Marineland in Rancho Palos Verdes near Los Angeles, shut it down, and brought its two whales, Orky and Corky, to San Diego a year ago. The introduction of Orky, an aggressive male, into the Sea World tank with females of breeding age may have altered the social mix, experts speculate.

Another factor may have been the high turnover among the trainers. Mr. Bleiler said many of the trainers were young people and were not required to have experience working with animals. They earned as little as \$6.05 an hour.

Mr. Gault acknowledged some of the criticism. He said the introduction of new animals, breeding activity, including one live birth last year, the building of a large new tank and the training for new shows all may have combined to alter the social interaction of the creatures.

"We did not have enough experienced trainers," he added. "There was not enough training documentation."

As a result, Sea World has tightened its training procedures and

JACKSON: Breaking the Barrier

(Continued from Page 1)

crats were holding precinct caucuses, part of the process of selecting 51 delegates to the national convention.

The Wisconsin primary is notoriously volatile and unpredictable, making polls in the state more suspect than elsewhere. It is an "open primary" in which Republicans, Democrats and independents are allowed to vote for candidates of either party.

This makes the electorate larger and less dominated by party activists than in other states. Historically, 42 percent to 49 percent of Wisconsin voters have taken part in presidential primaries. That is roughly twice the percentage who voted in many contests on March 8, or "Super Tuesday." State officials estimate that 1.6 million voters will go to the polls Tuesday; only 241,000 voted in Michigan.

Mr. Jackson won 10 percent of the primary vote in Wisconsin four years ago. Since then, he has been a familiar figure at demonstrations for striking workers and economically hard-pressed farmers.

This has brought him credibility among blue-collar workers, which he lacks in other states, and union endorsements.

Mr. Dukakis, shaken by his defeat in Michigan, worked hard to shore up support among blue-collar workers. He brought in the Massachusetts secretary of labor, Paul Eustis, a machinist, to campaign for him, and visited one union group after another.

But there were signs of problems for Mr. Dukakis. In economically troubled Wausau, state Representative Brad Zwick, a Dukakis supporter, said the race was surprisingly close.

"Jackson is talking in very stark terms," he said, "and people are ready to listen to him."

But in places like West Allis, an old, blue-collar Milwaukee suburb, voters said they did not think that would happen.

"Being a factory worker, I like the way he's stood up for the unions when others haven't," said Paul Oberly, a resident. "I just don't like the idea of voting for a preacher. They're all talk."

The bad news for Mr. Jackson's rivals is that voters in Mr. Oberly's neighborhood said they were having a hard time finding someone else to support.

"I know I'm going to vote, but I'm really undecided," said Eleanor Karzewski. "No one excites me except Jackson, and he's not qualified."

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UN Counting on Amal Militia to Gain Freedom for U.S. Hostage

By Jonathan C. Randall

WASHINGTON Post Service
NAKOURA, Lebanon — More than six weeks after Lieutenant Colonel William R. Higgins was kidnapped at gunpoint while serving with the United Nations in southern Lebanon, UN officials here remain convinced that he may be released before other Western hostages.

Since his abduction Feb. 17, the United Nations and the United States have said little about the marine officer's fate, an approach that has allowed behind-the-scenes dealing and prevented news media attention from aggravating his plight.

Intelligence sources are convinced that the 43-year-old one-time assistant to former Defense Secretary Caspar W. Weinberger remains in good health and is still being held in southern Lebanon despite earlier reports that he had been tortured and moved.

"We do not feel that he's joined the list of other Western hostages" kidnapped by pro-Iranian Shiite Muslim militiamen, said a UN spokesman, "whose long experience with the UN Truce Supervision Force in Lebanon, or UNIFIL, has

not given him a reputation for optimism. He and other members of the 5,800-member peacekeeping force, who spoke last week on condition of anonymity, base their judgment on the reiterated public statements of the mainstream Shiite Amal militia.

Its leaders have sworn to obtain the freedom of Colonel Higgins, chief of the 75-man force in Lebanon of the UN Truce Supervision Organization, which is drawn from 15 nations. Never before in the record of Western hostages taken in Lebanon has a major militia staked its reputation or acted so openly to achieve its goal.

Since Colonel Higgins' kidnapping, Amal has arrested an undisclosed, but reportedly large, number of Shiite suspects linked to its radical arch rivals of the Islamic Resistance, better known as Hezbollah, and confiscated a great deal of material, according to intelligence sources.

Within the first 24 hours of his kidnapping, Amal rounded up the team that grabbed Colonel Higgins in Amal territory in the name of a previously unknown organization, the Oppressed of the World.

Indeed, analysts have argued that Amal will do everything short of using force to obtain Colonel Higgins' release. Amal leaders have argued that recourse to force could cost the marine officer his life and usher in serious fighting between the two rival Shiite militias.

Amal's stand is far removed from any sentimental or personal commitment to Colonel Higgins. Even his colleagues believe that he helped bring misfortune upon himself by boasting of his Washington connections.

Rather, Amal says it is acting out of the conviction that the American officer was working for the United Nations and that UNIFIL's continuing presence in southern Lebanon is necessary to keep the peace.

Without the UN peacekeeping force, Amal reasons, the militia's enemies in Lebanon — Hezbollah and Palestinian guerrillas seeking to reassert their presence near the Israeli border — would provoke the Israeli Army into conducting cross-border operations that would again take their toll on the Shiite residents of southern Lebanon.

Colonel Higgins, who arrived in southern Lebanon in July, took over Jan. 8 for a six-

month stint as chief of the observer teams. "You have to assume that an officer of that age and rank knows what he's doing," a UN source said. "You can only warn him so much. He's in command, even though he'd been repeatedly told that the Shiites of south Lebanon thought they had good reason to be paranoid about Americans."

"The same villagers who genuinely welcome you to their homes cannot do a damn thing for you if you're kidnapped," the source continued. "And there were always those hard cases, men who for the past two years refused to shake hands with any Westerner."

By all accounts, Colonel Higgins appears to have paid scant heed to such cautionary advice. But even veterans of the interim force acknowledge that they had grown complacent with Amal protection inside their zone and, as a result, forgot the dangers that foreigners face in Beirut or the Bekaa Valley.

Still, traveling to Tyre, a port city where the UN observers maintain an office although it is outside the UNIFIL area of operations, was to venture into areas of potential danger, especially for an American officer. It was on his way

back from a courtesy call on an Amal official in Tyre that Colonel Higgins was abducted.

Perhaps unwittingly, Colonel Higgins had made himself appear more important than he probably was, sources said. He had boasted to Lebanese of his connections with Mr. Weinberger to such an extent that one doubting Amal cadre telephoned a UNIFIL acquaintance to check his story, according to one account.

Colonel Higgins also handed out a two-page, single-spaced official biography "like calling cards," according to a UN colleague.

Lebanese publications close to Hezbollah quoted almost verbatim from a passage in the biography, which said the colonel, starting in 1982, "arranged recurring meetings between the secretaries of defense and state and the director of central intelligence and coordinated" the Defense Department's role "in the national security decision-making process, including cabinet and National Security Council meetings."

As a UN colleague remarked: "Higgins forgot that the worst thing to do in Lebanon is to attract attention to yourself. It just makes you a prize catch."

French Ransom Sought
 Security officials said Sunday that Lebanese Moslem extremists holding three French hostages have asked for a ransom in negotiations with the French government, The New York Times reported from Beirut.

The officials also said Omran Adham, a French businessman of Syrian extraction who was involved in efforts to gain freedom for the French hostages, had arrived in Beirut. The exact nature of his mission is not known.

His arrival was quickly linked to contacts in the last few weeks that reportedly focused on freeing two French diplomats, Marcel Fontaine and Marcel Carton, and a journalist, Jean-Paul Kauffmann.

They were abducted in separate incidents in Moslem West Beirut three years ago. The shadowy group Islamic Jihad — believed to consist of Shiite radicals loyal to Iran — says it is holding them. It has also taken responsibility for the kidnapping of two of nine Americans missing in Lebanon.

The officials said the kidnappers are seeking 25 million francs (\$4.5 million) in ransom.



Lin Hsueh-shing/The Associated Press

Defense Matters on the Agenda for Carlucci in New Delhi

Frank C. Carlucci, left, U.S. secretary of defense, opened talks in New Delhi on Monday with K.C. Pant, his Indian counterpart, right, and the chiefs of the Indian Army, Navy and Air Force. An Indian spokesman said that "the general focus was on bilateral

cooperation in matters of research, production and development." India has been interested in acquiring U.S. technology for a light combat aircraft, as well as radar systems. It was Mr. Carlucci's first visit to India. He goes next to Pakistan.

10 Million Farmers 'Repressed' by Stalin, A Soviet Scholar Says

By David Rennick

WASHINGTON Post Service
MOSCOW — Stalin "repressed" more than 10 million farmers during his collectivization program in the 1930s, according to a Soviet scholar writing in the weekly Argumenty i Fakty.

The collectivization program, in which Western historians say that as many as 14 million people died, is one of the most notorious chapters of the Stalin era and one of the bloodiest repressions of the 20th century.

Vladimir Tikhonov, a member of the Soviet Academy of Agricultural Sciences, did not say that millions had died, but his estimate of "repressions" during the era is the highest ever published in an official journal.

The Soviet leader, Mikhail S. Gorbachev, has called on scholars to fill in the "blank pages" of Soviet history. But he himself has given ambivalent signals about the collectivization period, which lasted from 1929 to 1933.

In his speech commemorating the 70th anniversary of the Bolshevik Revolution last year, Mr. Gorbachev said that Stalin's victims numbered in the thousands. He also said that while agricultural collectivization produced crimes and distortions, it was necessary.

Stalin's fury was ostensibly focused on the so-called kulaks, the well-to-do farmers, but the repression ranged from kulaks to the poorest of peasants.

Millions were executed or exiled to Arctic labor camps, where most died of starvation. Many more died while being moved from one farm center to another. Stalin also deliberately created horrible famines in farm regions.

Soviet histories published since that period have said that only the wealthy farmers were punished, but Mr. Tikhonov's article agreed with Western and dissident Soviet accounts, saying that the oppression was far more wide-ranging.

"Stalin was acting on a perverted and, to some degree, a utopian notion of socialism," Mr. Tikhonov wrote. He said that the program destroyed many of the Soviet Union's best and most intelligent farmers, setting back agriculture many years.

4 Schoolboys Plunge in Alps

VIENNA — Four British schoolboys slipped to their deaths Monday in the Austrian Alps just outside Salzburg, the police said. A policeman at the village of Anif said that the four boys, aged 14 and 15, fell from the 1,853-meter-high (6,060-foot-high) mountain Untersberg, a popular spot for tourists.

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Afghan Peace Talks Resume in Geneva

GENEVA — Talks on the future of Afghanistan resumed here Monday as Edward A. Shevardnadze, the Soviet foreign minister, began his own talks in Kabul on possible unilateral measures.

Moscow has threatened to pull its 115,000 or so troops from Afghanistan under its own terms and to make its own arrangements to supply the Afghan government if there is no agreement at the Geneva talks, which are sponsored by the United Nations.

Mr. Shevardnadze flew to the Afghan capital Sunday, saying he was trying to consider with the Afghan government various options "in all their aspects" in case the Geneva process "does not produce the desired results."

The UN talks are aimed at defusing the situation by getting the Russians out and securing an end to mainly U.S. military support of the mujahidin, who are fighting the Soviet and Afghan armies.

But the United States says it will continue to supply the mujahidin unless Moscow agrees to cut its military aid to Kabul, an idea the Kremlin has firmly rejected.

Afghan guerrillas have vowed to fight until the Russians go and the Soviet-backed Kabul government is replaced.

Mr. Shevardnadze's visit pointed up the possibility of the Kremlin rejecting the UN agreement. If this happened, the Soviet Union might maintain a steady flow of arms and take longer to withdraw than the nine months envisaged in the UN

package, perhaps leaving some Soviet troops in place.

Mr. Shevardnadze "went for an exchange of views," said Nikolai Kozirev, the Soviet representative at the Geneva talks. The Soviet foreign minister went to talk "about the situation, what to do in the future," Mr. Kozirev said on arriving for talks with the UN mediator, Diego Cordovez, on Monday morning. "We have in this way an alternative plan about what to do."

Many observers believe that the Marxist administration in Kabul will not be able to maintain control for long after the Russians leave, but they say that any struggle is likely to be bloody and the outcome less sure if there is no agreement.

Mr. Cordovez said Monday that he had arrived with a budget for six weeks of talks, adding that he thought the process would have to be resolved soon, one way or the other.

Meanwhile, the Soviet-backed government in Kabul, headed by Major General Najib, is to hold elections Tuesday.

Only 10 percent of Afghans are expected to vote in the country's third parliamentary election, Afghan sources in Pakistan said. Voting is to take place from April 5 to 14.

The Moslem guerrillas denounced the election as a trick to deceive the Afghan people and world opinion.

Western diplomats in Pakistan view the election as cosmetic.

"The regime seems anxious to move quickly in an attempt to establish its credentials as a 'democratic' state with a functioning parliamentary system," a diplomat said.

Western Media Incited Unrest, Pravda Says

MOSCOW — The Communist Party daily Pravda accused Western radio stations on Monday of inciting unrest over the disputed Nagorno-Karabakh Autonomous Region.

Pravda assailed the British Broadcasting Corp., the Voice of America, the U.S.-funded Radio Liberty and West Germany's Deutsche Welle for their coverage of events in the Azerbaijan and Armenian republics.

The word "instigation," Pravda said, "best describes the activities of those circles inside and outside the country, who stand behind the events in and around Nagorno-Karabakh."

The newspaper said it could understand the desire of Western journalists to report on events in the Soviet Union. "But it is worth consorting with former criminals and unscrupulous personalities engaged in spreading deliberate lies?" Pravda singled out a dissident

publisher, Sergei Grigoryants, and an Armenian nationalist, Parutir Arikian, both of whom supplied Moscow-based journalists with information about the troubled region.

Armenia and Azerbaijan have been closed to foreign journalists since the unrest started in February, when the local parliament in Nagorno-Karabakh voted to rejoin Armenia. Moscow has said that it would not accept the request.

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INTERNATIONAL **Herald Tribune**

Published With The New York Times and The Washington Post

Less Mischief on Trade

For the gigantic U.S. trade bill, the three-way negotiation last week by House, Senate and administration was crucial. The bill emerges remarkably improved. The administration still cites several provisions it deems sufficiently damaging to justify a veto. But the most protectionist mischief in the original House and Senate bills has been ruthlessly weeded out by the conference. That swings attention back to the strengths of this bill, and they are substantial. It provides legal authority for the next president to take the lead in expanding world trade rules in to new areas. International trade rules under way will deal with protection for intellectual property, such as computer programs, and trade in such services as finance and banking. Those are the kinds of trade in which the United States increasingly will earn its living. Without this bill, enormous opportunities for U.S. business will be in jeopardy. The rest of the bill could be summarized by saying Congress is trying to force future presidents to a stronger, more coherent and less unpredictable trade policy. Presidents, and not only Ronald Reagan, have preferred to handle trade ad hoc, leaving each issue to the political and diplomatic circumstances of the moment. No trade dispute is ever separable from other kinds of interests. But Congress wants presidents to give more weight to trade in foreign policy and to make their performance more consistent. The most serious questions in the conference have been over the degree of discretion to be allowed the president. Nearly all the provisions in this bill give the president the choice to do nothing when he considers it in the country's best interest. But the bill would leave him with significantly narrower discretion than he now enjoys. That is not an unjust response to a president who has consistently talked free trade while sporadically taking extremely protectionist actions. This bill is not yet finished. The administration wants the removal of a provision requiring advance notice of plant closings and layoffs, though many companies already provide notice routinely. With better reason it objects to the section punishing Toshiba Corp. Having originally supported this, we are having second thoughts. It is retroactive legislation and constitutionally suspect. It is up to the courts, not Congress, to go after transgressors. There is also an effort in the House to revive Representative John Bryant's amendment discriminating against foreign investors by requiring them, but not American investors, to disclose much information of value to their competitors. If the Bryant amendment climbed back into the bill, that alone would justify a veto. But even the administration's list of truly objectionable elements is now a short one. Over the past two months the trade bill has been transformed. It is now beginning to look like legislation that could genuinely serve the interests of America. —THE WASHINGTON POST.

A Warning of Warming

Industrial activity has begun to affect the world's atmosphere in ways that threaten to induce profound changes in climate. The "ozone hole" over Antarctica offers a sharp warning: Pay heed to the broader climatic changes known as the greenhouse effect. As waste gases build up in the atmosphere, they absorb heat that would otherwise radiate out into space. Scientists have long feared that this process would start to heat the atmosphere, in the way that glass traps the heat in a greenhouse. Even a few degrees rise in average global temperature could have extreme regional consequences. The climate would change, probably making the Midwest hotter and shifting America's grain belt north into Canada. The Gulf Stream might shift course, causing to warm Europe. Sea level would rise a foot or two, flooding low-lying areas like America's East Coast and Bangladesh. Should the Western Antarctic ice cap melt, the sea would rise 20 feet, inundating New York, New Orleans, London, Beijing. That's the fearful scenario some scientists say is possible. But is it likely? The answer lies in a puzzle that may take another decade to complete. Important pieces are already in place. The greenhouse gases are accumulating. Carbon dioxide created by burning fossil fuels has steadily increased since the Industrial Revolution. Chlorofluorocarbons, used as refrigerants, also heat the atmosphere. Because of their separate effect in eroding the life-protecting ozone layer, a recent international agreement will slowly limit production. Given the rise in greenhouse gases, is the atmosphere warming up? It is too early to say. Average surface temperatures have risen half a degree centigrade since 1861. Last year was the warmest on record, followed by 1981 and 1983. But three warm summers do not send an unmistakable signal. So why not wait and collect more data, as the Reagan administration proposes? Such calm seems appealing compared with the calm of overreaction; recall swine flu vaccinations or the millions poured into synthetic fuels. Moreover, the greenhouse gases may produce their own antidotes. Rising humidity could increase cloud cover and cool the Earth, or plants might grow faster and absorb more carbon dioxide. Yet hysteria and overreaction are not the only responses available. Each decade of delay may commit the atmosphere to further warming. A greenhouse effect might intensify itself by slowing the oceans' absorption of carbon dioxide. Meanwhile, several of the proposed remedies are worth taking anyway: further reducing chlorofluorocarbons, retarding destruction of tropical forests, conserving energy and looking for safer ways to generate nuclear power. A primary need is for more detailed monitoring of the atmosphere, which suggests a fine planetary assignment for NASA — a mission to Earth to give earliest possible warning of the greenhouse signal. But even as research continues, it is time to take the first practical steps in averting a trend that could derange nature's rebirth and renewal. —THE NEW YORK TIMES.

Tracking the Democrats

Where does the Democratic race stand now, after Jesse Jackson's victory in the Michigan caucus and Michael Dukakis's victory in the Connecticut primary? Momentum, in the form of unmistakable enthusiasm, seems to have been working for Mr. Jackson. But the schedule tends to work in the other direction. Mr. Jackson has run best among blacks and in caucuses. But not many delegates will be chosen in the remaining caucus states, and no state with an upcoming primary has a black population of more than 12 percent or had a black turnout in 1984 exceeding 26 percent. Mr. Jackson has been reaching well beyond the black electorate in his victories, but he is going to have to win more votes from whites than before. He may do that Tuesday in Wisconsin. The state has a historic progressive tradition and little history of racial friction. Mr. Jackson's radical positions on some foreign and economic issues have stimulated enthusiasm in Madison and other university towns. So he has been running close to or even with Michael Dukakis in the polls, with Albert Gore (despite heavy spending) and Paul Simon (despite appeals to the progressive tradition of Robert La Follette) well behind. Mr. Jackson is helped by the feelings he can arouse, while Mr. Dukakis is criticized for being too cool. Mr. Dukakis tries to turn on the heat by saying the Reagan administration "has walked away from the American dream," but this is no match for Mr. Jackson's denunciations of "economic violence." These differences reflect an unresolved conflict that seems to reside within many Democrats. They talk in apocalyptic terms about the fate of the nation, but when it comes to the changes they are willing to ask voters to pay for, they endorse reforms that are modest and marginal. Mr. Jackson, contrasted in his career by governmental responsibilities, can call for all the change he wants. Mr. Dukakis, involved in everyday governing for nearly 25 years, points to the less sweeping but often very useful changes he has made. One result of the Wisconsin voting could be crucial — how many candidates will be left ambulatory for the New York primary April 19? Albert Gore, who has been attacking Mr. Jackson's Middle East policy, and Mr. Jackson himself want this to remain a three-candidate race: Mr. Gore in order to stay in the game, Mr. Jackson to split the opposition and to lessen the so-called Dukakis inevitability. But Mr. Dukakis wants to portray New York as a two-man race: He starts off ahead among the quarter that is Jewish and the third that is Roman Catholic, voters who have some affinity with his immigrant heritage. Watch Wisconsin not just for its result, but to see what its effect is likely to be on this much higher-stake battle. —THE WASHINGTON POST.

A Case for Old Bordeaux

When new budgetary restraints take effect in October, the State Department will have to close perhaps eight of its overseas consulates. Administrators say no decisions have been made, and that the severity of the cuts depends on exchange rates and inflation. But already a remarkable campaign has gathered steam in France to persuade Washington to spare the consulate general in Bordeaux. Leading in the lobbying is Bordeaux's mayor, Jacques Chaban-Delmas, also president of the National Assembly. The consulate covers the southwest quarter of France and annually issues 30,000 visas. It appears to be America's oldest diplomatic post, commissioned in 1790, when Bordeaux already had made a name as the port supplying American rebel colonists with arms and supplies, all shipped with potable refreshment. It was from here that Lafayette sailed. Sentiment alone should not determine Washington's choice. But the affection and fervor of this campaign surely must be taken into account. Even if things are not equal, age, wine and the Marquis de Lafayette make a strong case for keeping the American flag flying in Bordeaux. —THE NEW YORK TIMES.

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Why the Ship of State Won't Jettison Meese

By William Safire

WASHINGTON — Eight years ago this month, in my first and last interview with Ronald Reagan, I asked the candidate where he stood on the status of Jerusalem. Some Carter people were talking about the internationalization of Israel's capital (a position Jesse Jackson held by changing it). Mr. Reagan's glance flicked to Ed Meese, the only side with him. Mr. Meese almost imperceptibly shook his head. "Absolutely not," Mr. Reagan said, as if stating a principle. "Jerusalem must never again be divided." That was the Meese role throughout the Reagan era: "issues man," keeper of the ideological flame. So what if his briefcase became an abyss; so what if his less-government-is-better federalism conflicted with his let's-test-everybody intrusions on civil liberty? Neither efficiency nor consistency was his forte. Mr. Meese was and is The One Who Can Be Trusted. Keep that in mind when asking: Why doesn't the president ease out his attorney general, whose department is so obviously controlled by Chicago? Every Democratic president seems to need The One. Eisenhower had Sherman Adams, Kennedy had his brother Robert, Nixon had John Mitchell, Carter had Bert Lance. Trustworthiness is not always trustworthiness. For an intelligent man, Mr. Meese is curiously numb to propriety. His defenders say that he was not vocal in his financial dealings, just stupid; that he is being investigated exhaustively because of his hard-line views, and as a way of weakening the president; that the suggestion of Meese is the product of his accusers, who make fresh allegations after failing to prove their case. That defense has some merit: The Iraq pipeline charge was thin gruel for Meese. But the question is proper: Is "insufficient evidence for indictment" to be our standard for the nation's chief law officer? Of course not; Caesar's wife, and so on. Ed Meese knows that he offers Democrats a campaign issue; why doesn't the step down? Answer: To quit in the midst of a firestorm is to admit guilt, and his self-image is that of law enforcer, not lawbreaker. Then why doesn't the president allow the word to be passed: For this political liability to move aside? Where is Nancy Reagan now? The answer to that is more complex. (1) This ship of state, already in the ropes of the neobos, gains no speed by jettisoning cargo. (2) The First Lady is immobilized by the exposure of her hand in casting Donald Regan as chief of staff. (3) The president's relationship with Mr. Meese is on a level of political intimacy that outsiders find hard to comprehend. When the arms-for-hostages scandal began to loom, it was Ed Meese who went to the president and took charge. What he took charge of was protecting the president. Good citizens

OPINION



Drawing by KAL CAW SYDNEY

zans cluck-cluck at that, but the leader of the free world seldom do. Throughout the "preliminary inquiry," remnants of evidence were shredded. When Mr. Meese's aides came across the diversion of funds to the CIA, the attorney general went to the CIA director's home and had a long talk. That must have been some night. Bill Casey had entered the Reagan circle in 1980 and pushed the inefficient Mr. Meese aside in favor of James Baker; now Mr. Meese, the survivor, was seeking to limit the damage to the president caused by Casey-Poindecker-North efficiency. Logic suggests the central topic discussed that night was the contra diversion, and how to keep its possible prior knowledge from the president; if need be, retroactively. Under oath, Mr. Meese recollected little of his unfor-

At Passover, A Clashing Of Dreams

By Anthony Lewis

BOSTON — They are like grasshoppers compared to us. Prime Minister Yitzhak Shamir, speaking Thursday in the West Bank, said that two millennia Jews in the Diaspora celebrated Passover with the dream of reclaiming their country. Next year in Jerusalem. Forty years ago that dream of a reborn Jewish state came true. This year the celebration of Passover was clouded by a new reality, one we only perceived. Another people also have dreams and roots in what was ancient Palestine. They are struggling as Jews struggled for statehood, on a piece of that land. And now the authorities to crush them, as Prime Minister Shamir said, "like grasshoppers." The Palestinians were like Ban-

'The Palestinians were like Banquo's ghost at our seder table.'

quo's ghost at our seder table, and I imagine at many others. The reason was not just sympathy for other human beings with emotions so familiar and understandable. It was that the attempt to crush their dream is darkening the dream of Israel reborn. In the last four months more than 130 Palestinians protesting Israel's occupation of the West Bank and Gaza have been shot or beaten to death. One Israeli soldier has been killed. At the killing of one or two protesters was shocking. Now the toll of Palestinian deaths goes on day after day: nine in the week leading up to Passover and Easter. And there is no end in sight.

The tactics used by Israel to repress the protests have gone well beyond clubs and tear gas and guns. In recent days the occupation authorities have taken these steps: • Detained more than 3,000 Palestinians without charges or trials. • Shut the Palestine Press Service, a news agency regarded by correspondents in Israel as highly reliable. The authorities said they did so to maintain "public order." Evidently the service was giving too accurate a picture of reality in the occupied territory. • Banned foreign and Israeli reporters from the occupied territories for days, and excluded them from many parts of the territories at times. • Cut off telephone service to the West Bank and Gaza for a time. • Imposed a 24-hour curfew on the 650,000 residents of Gaza for several days, forcing them to stay home.

In a recent resolution, the United Nations General Assembly has called on South Africa, and the two societies are indeed very different. But many of the tactics being used now by the occupation authorities are right out of the South African book: mass detentions without trial, isolating resistant populations, banning the press. And what we see is not limited to now, to this year. It is the future — if Mr. Shamir's refusal to withdraw from the occupied territories remains the policy of Israel. The price of occupation is going to be repression forever.

At Passover 1988, all who do not deny reality know that this is a time of choice for Israel, and for its friends everywhere. In one future lies the equivalent of Belfast: Palestinian protests, stones and Molotov cocktails, met by Israel's overwhelming military force but ever ending. The other way lies political compromise. At the heart of the choice is a simple question: Are Jews ready to accept Palestinians as a people with their own claim to national self-determination? Are they ready to accept Jews as such a people. Now, as they yield to the reality of Israel, the question is reposed.

A noted Palestinian intellectual, Walid Khalidi, puts the issue in eloquent human perspective in an article just published in the journal Foreign Affairs. For years, he says, diplomats of all kinds have tried to settle the fate of the Palestinians over their heads, through some external device or other. But it will not work. "Just as Israel is a reality which the Palestinians and the PLO must accept," he writes, "Palestinian nationalism is a reality which Israel must accept. As Israel is here to stay, the Palestinians are here to stay, too."

"Paradoxically, a Palestinian state in the occupied territories... in peaceful coexistence alongside Israel is the only conceptual candidate for a historical compromise of this century-old conflict. Without it, the conflict will remain an open-ended one between the maximalist concepts of Zionism and the maximalist Arab and Moslem hinterland."

The writer was director of the Nicaragua mission of the U.S. Agency for International Development from 1979 to 1981. He contributed this comment to The Washington Post.

The New York Times.

Americans Can Halt This Slide Toward Mediocrity

By James Reston

WASHINGTON — The best crack I've heard about this mystifying presidential election came from Phil Dunne of California, son of the late Finley Peter Dunne: "The skim milk is rising to the top." Processed. After all the oases, debates and scandals, all the voters are offered are Vice President George Bush, Governor Michael Dukakis, Jesse Jackson and Senator Albert Gore. Surprisingly, the voters are swallowing this stuff.

In the few states where there were primaries or caucuses, most voters did not show up, and of those who did, many cast ballots for candidates they then denounced as not being up to the job. It is a puzzle. George Bush has won the Republican nomination before the voters in the big states have had a chance to vote in: None of the Above. Mr. Dukakis is campaigning against a brokered convention as if the delegates should have no right to pass judgment. And Jesse Jackson's people are suggesting that a vote for anybody else is a vote to "stop Jesse" because he is black. This is partly true but ignores the fact that many people believe his defense, economic and tax policies would divide the country and give the Democrats their fourth defeat in the last six presidential elections.

Nevertheless, you have to give Mr. Jackson credit for waking up the Democrats. Their private polls indicate that Mr. Dukakis would lose the South and bore the North. It was not until Mr. Jackson won in Michigan that the Democrats began to think that he might get the nomination and that they might lose not only the White

House but control of the House and the Senate. The Democrats are not prepared to take the chance of losing the Congress, unlikely as it is, but everything they do is risky. If they elect Mr. Jackson, they will split the party and face the most vicious campaign since Al Smith's in 1928. If the Democrats are not careful how they reject Mr. Jackson, they will alienate his sizable black con-

stituency. If they turn to Governor Mario Cuomo or Senators Bill Bradley or Sam Nunn, they will infuriate the candidates who have struggled through the primaries. Mr. Jackson has talked against a brokered convention: "If you don't go to Springfield and perform all season, you can't expect to play in the World Series."

If the voters are given a choice between Mr. Bush and Mr. Dukakis (the duck and the duke), which is what they are likely to get if they just keep grumbling, the delegates in Atlanta and New Orleans will say, "It's the will of the people." It will be nothing of the sort, for most eligible voters will have had nothing to say about who is nominated. The trend is not inevitable, but as an exercise in democracy, it is intolerable. And though it is

late, some things could be done to stop the slide. The newspapers could begin to say in private what most of their editors are saying in private: This is no way to pick a president, and there are better candidates in the wings. New York voters will have a chance in the primary, not to draft Mr. Cuomo but to indicate he will be partly responsible if his party loses. They could write in his name, even if it did not count.

The best chance to stop the drift and hallooing lies with the 800 "superdelegates" who will go uncommitted to the convention and probably find that neither Mr. Dukakis nor Mr. Jackson will have a majority of votes on the first or second ballot. They are super because they have House, Senate and statehouse experience and know more about the candidates' experience, intelligence and character than all the other delegates combined. The likelihood is they will hold the balance of power in a stalemate, free to consider what is best for the nation. The conventions were not organized merely to ratify past votes but to deliberate. There is no evidence they are organizing for this purpose, but they are beginning to matter about it.

Much will depend on what the people will say or not say in the next three months. What they see now is what they are likely to get and deserve in November. If they do nothing more than gripe, they will have to settle for television parties in Atlanta and New Orleans, full of funny hats, hot air, big balloons and bogus enthusiasm. In short, they will get skim milk — and who likes that? The New York Times.

Reasons to Hope the Nicaraguan Cease-Fire Will Stick

By Lawrence E. Harrison

WASHINGTON — The Nicaraguan cease-fire surprised almost everybody; President Reagan, President Oscar Arias Sanchez of Costa Rica, perhaps even the contra leader Adolfo Calero. The only principal not surprised has been the cease-fire's chief architect: Daniel Ortega Saavedra. He took a step toward implementation of the Central American peace accords that only months ago seemed impossible.

Two big questions remain: Why did he do it? Will it stick? Almost nine years of broken Sandinist promises on pluralism and non-alignment have confirmed the Sandinist deep commitment to the Marxist-Leninist model and their hostility to the United States. Mr. Ortega joined his first Marxist group at age 15 and committed his first terrorist act (fire-bombing vehicles at the U.S. Embassy) a year later. He spent more than seven years in Somoza jails and was tortured. He saw many of his comrades fall in battle, including his young-

est brother. Like so many Latin American intellectuals, he tended to blame Nicaragua's historic failure to build a modern, equitable society on "Yankee imperialism." Shortly after the Sandinists took over in 1979, and just as the U.S. government was mobilizing a huge program of aid for them, the Sandinist leadership told its second echelon: "We put you on notice with the greatest clarity that the true enemy whom we will have to confront is the imperialist power of the United States and, on a second plane, the exploitative and demagogic intentions of the reactionary local bourgeoisie."

Their actions up to the Sapo negotiations have conformed to that dictum. But a lot has happened. The Salvadoran guerrillas, who looked like winners late in 1980 when the Sandinists substantially expanded aid to them, now look like losers. The Russians, like the Chinese, appear themselves to be questioning the Marxist model even as they open new avenues of dialogue with America. Soviet economic aid has fallen; the Nicaraguan economy is a shambles; and economic hardship, together with persecution of the church and heavy-handed suppression of dissent, have alienated many Nicaraguans. Western European democrats have been leaning on the Sandinists to liberalize, as have some Latin American countries, notably Venezuela. The Sandinists probably have learned that there is little tolerance for their domestic and foreign policies in the United States and that the election of a Democratic president would not significantly change that.

Mr. Arias attracted world attention and support with his peace plan predicated on democratization. The contras had been showing more effectiveness and popular support than had generally been expected. Against this backdrop, the incursion into Honduras may have been a desperate last effort by the Sandinists to knock out the contras. The Sandinists almost surely were aware that the incursion would lead to renewed congressional support for aid to the contras. If the incursion failed to achieve its objective, perhaps because the Sandinists were deterred by the deployment of U.S. troops, no option would remain except the Arias plan. Now, in their two-steps-forward-one-step-back march, the Sandinists have taken a giant step back. Will it stick? As an observer who has been profoundly skeptical of this possibility until Sapo, I now find myself at least thinking the unthinkable — that it may stick, that the Sandinists may have experienced a rite of passage out of adolescence, that enough momentum and the attention of enough important actors may have been achieved to deter backsliding. Mr. Arias and the United States — particularly the Democrats in Congress, whose party's presidential hopes could be hanging in the balance — have to be alert until the process is truly irreversible, and keeping the contras viable until then is indispensable. But it may just work, and while keeping a firm and, for a change, bipartisan grip on the stick, the United States should be doing everything it can to further the process, including devising some attractive carrots.

The writer was director of the Nicaragua mission of the U.S. Agency for International Development from 1979 to 1981. He contributed this comment to The Washington Post.

On Taxes: Has Thatcher Got It Right?

By Giles Merritt

LONDON — The fruits of Thatcherism are being savored by Britain's business community. Income tax has been slashed to a post-World War II low and top executives are making far less than 10 percent of their incomes to the taxman than they would in, say, France, Italy or Scandinavia. The question is, has Margaret Thatcher got it right?

The Thatcher Revolution has been observed by other countries with emotions ranging from envy to awe, from disbelief to distaste. Britain's poor may see little reason to thank Mrs. Thatcher, yet she has done much to restore the nation's pride. Mrs. Thatcher is now the longest-serving British prime minister of the century, arguably the most dominant since Churchill. Her efforts to rekindle the enterprise culture have been closely watched.

Is there a blueprint for the rest of Europe in the tax cuts recently unveiled in Britain's 1988-89 budget? The claim by Nigel Lawson, chancellor of the Exchequer, that this was "historic" tax reform is perhaps exaggerated. Still, Mr. Lawson brought the top income tax rate down to 40 percent (against 58 percent in the late 1970s), reintroducing incentive for high earners. At the same time, he claims to have created a virtuous circle in which lower taxes prompt faster growth, which generates higher tax revenue.

The United States is still assessing the effects of the similar tax plan the Reagan administration introduced two years ago, shifting more of the revenue burden from individuals to corporations. Now all of Europe is making the tax payers pay as to encourage entrepreneurial activity and offer a lasting cure for Euroclerosis. The 12 European Community countries are also weighing the problems of unifying their tax regimes in preparation for the creation by 1992 of a single European marketplace. In West Germany, the coalition government of Chancellor Helmut

Elsewhere, taxpayers' revolts are brewing. Kohl is trying to streamline public finances and has just approved ambitious tax cuts for 1990 as part of an effort to simplify a bafflingly complex tax structure. While the German companies pay as much as 70 percent of their profit to the taxman, they benefit from an elaborate range of perks and subsidies. Elsewhere in Europe there are signs that if governments fail to ease taxes, there may be taxpayers' revolts. Among the Swedes and the Finns, for example, there is new resentment at sky-high rates.

Meanwhile, academic economists have been giving attention to the advantages of government of indirect taxation: a return to the days when taxes were on consumption, favoring the rich and not the poor.

At the Paris-based Organization for Economic Cooperation and Development, officials see a shift toward indirect taxation, such as the European Community's value-added tax. They dismiss the notion that governments will be able to reduce their overall tax take, but they do see a possibility in some countries of tax revenue beginning to fall as a proportion of the overall economy, reversing a post-World War II trend. Lower taxes and faster growth sound irresistible, but is this really the way forward for Europe?

In Britain there are grounds for arguing that higher, not lower, taxes would be the sound policy to follow. Much more money needs to be spent on education and training. It is the shortage of skilled labor and technocratic managers that is holding the country back, not any dearth of entrepreneurial talent or will. British taxpayers spend about \$15.9 billion (\$30 billion) a year on unemployment costs, but only about one-tenth that sum on industrial training. Americans spend \$40 billion a year on such training. As a result of the shortage of skilled personnel in Britain, vital sectors such as information technology are now growing at about half the world rate. Western Europe spends about a quarter as much on training as do Japan and Asia's emerging industrial powers. The virtuous circle Europe needs to enter is that in which more tax money spent on education would add value to industrial output. International Herald Tribune.

100, 75 AND 50 YEARS AGO

1888: A Cure for Rabies? PARIS — Yesterday was a very important day in the Charbonnet wolf-biting case. The Herald reporter who has been commissioned to watch every symptom went at 10:30 A.M. to the Pasteur Institute to be present at the sixth inoculation. Mr. Chamberlain arrived shortly before the appointed hour. He was evidently much brighter than on the day of the first inoculation. He said, "I feel in a higher moral tone than when I first came to this city. I hope now to go home safe and sound and not to lay my grand cemetery to which I have been taken as one of the sights of Paris."

1913: Tsar Backs Slavs CONSTANTINOPLE — Turkish Pasha, the Turkish Ambassador in St. Petersburg, has telegraphed to the Sublime Porte, stating that Russia, despite appearances to the contrary, will energetically support Montenegro's claims. He adds that the Tsar's government has urged Bulgaria, Serbia and Montenegro to hold together, and not to allow the smallest of the Balkan countries to be robbed of the fruits of its victories by Austria-Hungary. Turkish Pasha insists on the fact that the existence of the Sazonoff Cabinet is gravely endangered by the Pan-Slavic agitation, and that the Pan-Slavic will probably control the next Government; openly advocate a Russo-Balkan alliance.

1938: Chilean Elections SANTIAGO — The "Popular Front" political group has lost out by a relatively large margin to a coalition Right-wing group on the basis of returns of municipal elections throughout the country yesterday. Results today [April 4] showed that while the Popular Front ticket was successful in the big cities of Santiago, Valparaiso and Antofagasta, the Right-wing party had a heavy sweep through the rural districts.

مكتبة الأصيل

OPINION

Busting a N.Y. Crack Shop: Daily, the Battle Continues

By A. M. Rosenthal

NEW YORK — The detective who drove the surveillance van was warm in manner, quick of mind and experienced in undercover work, and looked a lot like Liza Minnelli.

ON MY MIND

building on 131st Street. It looked abandoned, but was not quite.

The camera picked up three or four people loitering on the stoop. Every few minutes somebody walked into the building. On the street was a man, eyeing people who wanted to go into the building. He was the "staree," who decided who could go into the hallway and who looked too suspicious.

The staree's instinct was right. The man with the cane was a detective, part of the meticulously planned maneuver to bust a crack shop. These operations take place several times a day around New York, throughout the year.

On 130th Street, a couple of people walked around the van and knocked on the driver's window. "Cops?" Detective Joyce Baldassarri glared and gave them the thumb, and they moved on.

More customers came and went at 13 East 131st Street. A couple of black youngsters who looked like scruffy teenagers walked in. This time the staree was wrong. Fifteen minutes later he was wearing handcuffs in a detention room of the 23rd Precinct on East 102d Street.

Two women were also in handcuffs: the woman who had sold the crack to the young undercover cops, and a customer. The surveillance and arrests had involved about 10 police officers: in the van, walking the streets nearby in choreographed patterns, and sitting in cars with walkie-talkies. It had been carried out on street diagrams and worked through by a squad of the citywide Special Anti-Crack Unit under Deputy Inspector Martin O'Boyle.

In a room near the detention cells, Sergeant Ronald Severin, the head of the squad, was examining the evidence: two plastic bags, each filled with about 100 tiny vials with pink caps. Inside each vial was a pellet of crack, cocaine purified through a simple stove-top process into tiny pieces of instant ecstasy and addictive slavers. The little vials are what crackheads will steal for and fill for.

They are the most successful and profitable line in the drug trade, an industry with profits of billions of dollars a year. The industry employs hundreds of thousands of people in the United States: distributors, smugglers, pushers and killers. Once by ounce, kilo by kilo, ton by ton, murder by

murder, the industry floods the United States with cocaine from Latin America, the Middle East and Asia.

Spread out on Sergeant Severin's table was the answer to the argument that narcotics should be legalized so the price would be driven down. The reasoning is that if you legalize it, the price will sink so low that the gangsters will be driven out of business and then society can concentrate its anti-narcotics funds on education and treatment, while peacefully supplying drugs to Americans who still crave them.

At the 23rd precinct, that argument did not seem impressive. At 13 East 131st Street the cops bought crack for only \$3 a vial. That is quite profitable enough to keep the drug killers in Mercedes and Uzis. Hundreds of vials can be made from a couple of grams and one \$3 vial leads to another and another.

If you have \$50, you buy \$50 worth, smoke, then worry about how to work, smoke, then worry about how to work, steal or mug for money for the next buy. Addicts have been known to buy and smoke \$700 worth in a day, paid for with stolen money, for themselves and maybe a friend or two. How would society get addicts to agree how much was enough?

The pusher in handcuffs had been good for sales of at least 1,000 vials a day. Pushers do not keep too much stock on hand; they get regular deliveries.



The pusher on 131st Street got a good daily wage, probably \$150. Her suppliers can afford it; multiply that woman's daily \$3,000 in sales by scores of other pushers working for the same distributors. One detective told of two drug merchants who made more than \$1 million in two weeks, tax-free. Deputy Inspector O'Boyle and his

officers do not have an answer to the drug problem. Like almost all professionals who devote their lives to fighting drugs, they believe there must be a lot of answers: fighting drugs abroad, at the borders, in schools, in hospitals — and in the streets, which is what these people do every day.

LETTERS TO THE EDITOR

Laying Blame in the Middle East: Kissinger and Congress

A. M. Rosenthal's collage of historical misinformation in "A Critique of Israeli Brutality Is Quasi as Others Join In" (March 9) could have been lifted almost verbatim from a Leon Uris novel.

Regarding the opinion column "Israel's Jews Have No Place Else to Go" by George Will (March 17):

As a young German who is fully aware of the special responsibility we have concerning Israel, I appreciated Mr. Will's courageous statements. I have seldom read such a clear line of reasoning on the subject, at a time when the number of people willing to openly support Israel's cause is steadily decreasing.

TRAUGOTT ULLRICH, Erdendorf, West Germany.

U.S. foreign policy these days seems to consist of withholding money, support, approval, etc., as in the case of Panama, or trumping up all sorts of charges for warfare, as in Nicaragua. In the impulse over Israel, why not withhold some of the money, support, supplies and arms so lavishly and slavishly donated by the U.S. taxpayer to Israel?

I agree with the pope. The Soviet Union maintains a cruel regime, oppressing its people. Meanwhile, the United States historically has installed or supported governments in many countries that systematically deny freedom of speech and impose fascist police

How will the Arabs gauge Mr. Kissinger's credibility as a neutral negotiator when he urges Israel to employ ruthless

sure from the Israeli lobby and electoral considerations have produced legislation diametrically opposed to the interests of the United States. Congress has seen fit to pass a law calling for the closing of the Palestine Liberation Organization offices in Washington and at the United Nations. This action was condemned by all other members of the United Nations (except Israel), and will certainly not improve U.S. relations with Arab countries. How can the United States portray itself as an honest broker of peace negotiations in the Middle East when its elected representatives are so blatantly and blindly one-sided?

ERIC SCORPIO, Bridgetown, Barbados.

Shouldn't C. L. Subberger ("In the Name of God, We Kill and Will Go On Killing," Opinion, March 23) have noted that Azerbaijanis have primarily been killing Armenians, rather than "Christian Armenians and Moslem Azerbaijanis have been slaughtering each other?"

J.E. VARTPARONIAN, London.

The opinion column "Gorbachev Surely Grinned at the Pope's Parallelism" (March 16), by A. M. Rosenthal, discusses the encyclical recently issued by the pope in which he equally condemned "liberal capitalism" and "Marxist collectivism."

As a historian who regularly reads the U.S. press, I have concluded that the American national sport is neither baseball nor football, it is witch-hunting. I realized this during the Watergate affair, when righteousness, like a tidal wave, swept over the United States. Now I see people eager to start hunting again. It is not always easy to have a president for a quarry, but four or five high-ranking administration officials are not all that bad.

HYPATIA A. VOURLIUMS, Athens.

South Africa and many countries in Latin America are cases in point. For the capitalists, morality is only an issue when its own people are victims.

Who Is Killing Whom? Shouldn't C. L. Subberger ("In the Name of God, We Kill and Will Go On Killing," Opinion, March 23) have noted that Azerbaijanis have primarily been killing Armenians, rather than "Christian Armenians and Moslem Azerbaijanis have been slaughtering each other?"

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America's National Sport As a historian who regularly reads the U.S. press, I have concluded that the American national sport is neither baseball nor football, it is witch-hunting. I realized this during the Watergate affair, when righteousness, like a tidal wave, swept over the United States. Now I see people eager to start hunting again. It is not always easy to have a president for a quarry, but four or five high-ranking administration officials are not all that bad.

HYPATIA A. VOURLIUMS, Athens.

A Task for Pluralists: Promote Cohesion

By Martin E. Marty

CHICAGO — The 1980s have been bad years for pluralists like me — deservedly. Once proud bearers of banners promoting freedom, pluralists have acquired the reputation of promoting permissiveness and license. Formerly welcomed because they helped break the monopoly of the old Anglo-Protestant Establishment, thus making room for blacks, Jews, Asian

MEANWHILE

religionists and women's rights, they have come to be scorned as relativists and thus "enemies of the state."

These years, the fashion has been to look back with nostalgia to McGuffey's Readers and Norman Rockwell's villages, which symbolized a time when presumably we all agreed with one another, or at least all understood one another.

Christian fundamentalists have gotten a hearing beyond their closed ranks, not when they have called for a born-again Christian America but when they have sought legal privilege for a Judeo-Christian America, which would define who and what is in or out. I have in mind their efforts to promote the distinctively biblical teaching of creationism in public schools — as against, say, the Navajo and Hindu creation stories — and the battle over having the 10 Commandments on classroom walls in Tennessee. Who can maintain that the 10 Commandments are the sole source of morality?

Intellectuals responded similarly when members of their own kind, such as the

philosopher Alasdair MacIntyre, bewailed the end of consensus and of virtue. Pass an amendment, pass a law, make a court decision, rewrite the textbooks, do anything, one hears, to bring order out of pluralism's chaos and bring back a consensus that so many feel has been lost.

Pluralists — those who urge that in a republic "any number can play" and then relish the varieties who do — have often refused to see the problems that came with diversity. I mean this: It is easier to agree, or even to disagree, when contenders understand each other and agree on some ideas and rules. But there are parties who cannot even talk because they share no common assumptions: The Pentagon hawk and Amish pacifist, a habitué of the Playboy Mansion and a Protestant moralist, defenders of the nuclear family and advocates of permanent bonding between homosexual couples, pro-choice and pro-life advocates.

National politics, which involves negotiating and compromising, winning and losing, cannot even begin unless there is minimal consensus. So the burden is on pluralists to show that they have the common good — that is, minimal consensus — at heart.

James Madison, the pluralists' hero, legitimized the right of "factions," "interests," "parties" and "sects." But he also saw that each could have impulses and interests "adverse to the rights of other citizens" or "to the permanent and aggregate interests of the community."

Justice Felix Frankfurter, in a good phrase from a bad Supreme Court ruling in 1940, said that "the ultimate foundation of a free society is the binding tie of cohesive sentiment." Neo-fundamentalists, neo-conservatives and ebullient neo-liberals have been right on target by agreeing with him when they promote a common vision against what I call "mere" (thoughtless) or "utter" (ideological) pluralism. But they do a disservice if they seek a cohesion produced by even the slightest governmental privileging.

America has always done better when in things of the spirit it has trusted the power of persuasion over coercion. Justice Frankfurter added that cohesive sentiment "is fostered by all those agencies of the mind and spirit which may serve to gather up the traditions of a people, transmit them from generation to generation and thereby create that continuity of a treasured common life which constitutes a civilization."

It is time for pluralist-minded people to spell out how they would promote cohesion. Despair about the future of the United States is fashionable, but I do not think such despair is necessary. Here are some agenda items for "agencies of mind and spirit" to take up.

First, promote awareness that Americans do have a great deal in common because of an almost sacred sense of the constitution. Both sides in the Iran-contra and Robert Bork hearings found it possible to argue and get a hearing precisely because no one called the value of constitutionalism itself into question.

While few can argue self-evidence as the founders and framers did, Americans do act on the basis of self-evidence as Thomas Jefferson described the case for equality and rights (and responsibility) in the Declaration of Independence.

It is important to point to Americans' bond with and love for their place, their landscape and cityscape. Slaves still in slavery did not want to return to Africa after they had watered and manured America, as one said, with their sweat and blood. Lower East Side sweatshop Jews stayed, loved America and "made

It is easier to agree, or to disagree, when there is some understanding about the rules.

"and Dust Bowl residents kept calling it "God's country." The historian of religion Mircea Eliade liked to say that when people settle a place, they consecrate it, they make it holy.

Nothing does more to bind with cohesive sentiment than for people to have common experiences and to tell stylized stories about those experiences. The Civil War and almost all the wars, abolition, suffrage, the Great Depression and the smaller depressions and other tragedies and crises led people to pull together. Years later, they sing and speak about how they pulled together.

In the pre-pluralist era each group had its own story. The Anglo-Protestants claimed a monopoly on Puritan or Founding Fathers; today, increasing notice is paid to the pioneer women as well. Thirty years ago, white Alabama conservatives would have burned textbooks calling the Reverend Martin Luther King Jr. a Baptist pastor, a prophet of God; last year in court, they denounced textbooks that failed to name him at least a Baptist pastor.

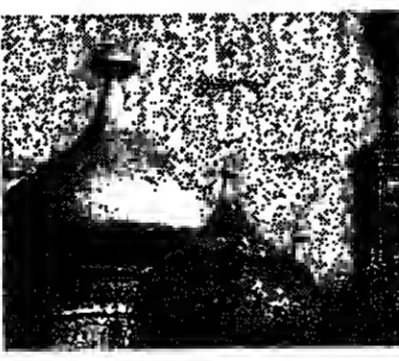
Pluralists, who mourn the deaths of the space shuttle Challenger's crew, relish their diversity. Annually now in January, communities recall the heroic seven who were Roman Catholic and Buddhist, black and white, Jew and gentile. The tears and ceremonies promote "cohesive sentiment" better than court rulings, constitutional amendments or privileging laws ever would. They are part of what the founders called "common affection." They and we become "kin," kindred spirits, part of the story that draws and binds Americans.

Cohesive sentiment does not mean the kin have to agree with one another. But they will argue more intelligently than they had been doing. Send a card of thanks to the fundamentalists — not for arguing well but for putting the demand for coherence on the national agenda.

The writer is a professor of the history of modern Christianity at the University of Chicago and senior editor of The Christian Century. He contributed this comment to The New York Times.

FRIENDLY FROM A TO Z.

Tradition. Reflecting on the past but with eyes firmly on the future. Typical of Austrian tradition: Sachertorte (chocolate cake) as well as excellent connections to the economic centres of Eastern Europe, via Vienna. Whereas the original recipe for Sachertorte is still debated, the benefits of flying Austrian Airlines are beyond question. Years of experience and the convenience of early arrival times are a sure recipe for success. See → 9 destinations in Eastern Europe.



arrival times are a sure recipe for success. See → 9 destinations in Eastern Europe.

AUSTRIAN AIRLINES THE FRIENDLY WAY TO FLY.

Advertisement for the Lotto 6/49 lottery. It features the headline "Play the Only Game in the World That Guarantees YOU WILL WIN A SHARE OF \$81,000,000.00 NEXT MONTH GUARANTEED". The ad includes details about the game, prizes, and how to play. It also features a small image of a group of people celebrating a win and a graphic of the Lotto 6/49 logo.

Passover... Dreams... Anthony Lewis... e Palestinians... Banquo's ghost... host at our seder table... c at many others. The... iders with cautious so... iderstandable. It was... to crush their dream... the dream of Israel... the last 40 months... the albanians protesting... tion of the West... have been shot or... One Israeli editor... At first the killing... osters was shooting... f Palestinian deaths... ter day, nine in the...) to Passover and... is no end in sight... tactics used by... id clubs and tear gas... cent days the occupa... ies have taken... gained more than 500... without charges or... that the Palestine... agency regarded by... in Israel as highly... ities said it had... "public order." Evid... was giving too much... in the occupied... Banned foreign... ers from the occup... days, and excluded... y parts of the territ... Cur off telephone... a Bank and Gaza for... imposed a 24-hour... 000 residents of Gaz... forcing them to... israel resents compa... th Africa, and the... indeed very different... he tactics being used... upation authorities... he South African... tions without trial... populations, bombing... And what we see... w, to this year. It... Shamir's refusal to... Occupied territories... icy of Israel. The... is going to be... At Passover 1988, all... ay reality know that... choice for Israel... anywhere. In our...ivalent of Belle... otests, strikes and... its, met by Israel's... litary forces but... her way her political... At the heart of... tion: Are Jews... tions as a special... aim to national... would not accept... ple. Now, as the... of Israel the ques... A noted Palestin... Valid Khaldi, puts... most humane... published in the... tions. For years... of all kinds... one of the Palestin... through some... eather. But it will... "Just as Israel is... Palestinians and... he wrote "Palestine... and is a reality... ept. As Israel is... Palestinians are... "Paradoxically, a... in the occupied... powerful existence... in the only... a historical... ery-old... conflict will remain... the between the... epts of Zionism... Arab and Muslim... The New York Times.

1938: Chilean... BANTIAGO — The... From... a relative... tion Rights... returns... through... tions today... while the... by the Par... only... the next... advocate a... The New York Times.

A U.S. Embargo Could Backfire, Delvalle Cautions

By David E. Pitt
New York Times Service

PANAMA CITY — Eric Arturo Delvalle, the Panamanian president deposed by General Manuel Antonio Noriega, has said that new economic sanctions against Panama by the United States would only make it more difficult to drive the military leader from power.

Mr. Delvalle, who has been in hiding since his attempt to dismiss the general as armed forces chief led to his own removal Feb. 26, argued that "an embargo or stronger economic sanctions might generate a negative effect toward the U.S. and might not provide immediate effects."

His comments came in handwritten responses to written questions from The New York Times, sent to him last week through a known opposition figure. The replies were prepared shortly before the Pentagon announced last week the dispatch of 1,300 troops and 26 helicopters to Panama "to ensure the continued safety of U.S. personnel and facilities."

Asked what steps the United States should take to force General Noriega out, and whether new sanctions or military intervention would work, Mr. Delvalle replied: "If the U.S. continues the present pressure, that will be enough."

General Noriega "is desperately in search of funds and he isn't getting any," he said. "The well is dried up."

Mr. Delvalle, discussing the recent general strike by a coalition of business and civic groups, said that "by now, you are fully aware that the vast majority of Panamanians want to get rid of Noriega by peaceful means," adding that the general's "end is very near now."

He acknowledged that while "at times" he and the opposition forces he represents "have differed tactically" with the Reagan administration, "we are very appreciative of U.S. policy toward Panama since Feb. 25."

Mr. Delvalle, who was a figurehead president under General Noriega for two years, still is recognized by the United States as Panama's legitimate head of government. At the behest of General Noriega, who was indicted Feb. 5 in the United States on drug-trafficking and racketeering charges, Panama's legislature replaced Mr. Delvalle on Feb. 26 with Manuel Solis Palma, the education minister.

In contrast to Mr. Delvalle's general support of Reagan administration policy, there has been sharp



A U.S. military policeman and a Panamanian policeman sharing guard duty Monday at Fort Amador, near Panama City. An additional 1,300 U.S. troops are being sent to Panama, where, despite increasingly uneasy relations, U.S. and Panamanian forces share duties in some areas under the 1977 Panama Canal Treaties.

criticism of the policy among Panamanian businessmen and some political leaders. Others opposed to the military government, including bankers,

An Englishman Who Copes With Belfast

For Tom King, 'Self-Perpetuating Terror' Brings Both Fear and Frustration

By Howell Raines
New York Times Service

LONDON — Tom King is a hawk-faced, bespectacled man whose stocky body betrays his past as a schoolboy cadet. At 19, he led British soldiers on patrols against the Mau Mau in Kenya. Today, at 54, he holds one of the loneliest and most dangerous jobs in British politics.

As secretary of state for Northern Ireland, he lives under police guard and works in two places: the Old Admiralty Building, in London, and Stormont Castle, in Belfast. In two and half years on the job, Mr. King has been roughed up by a Protestant mob and stalked by a suspected Irish Republican Army assassination team, which was arrested near his home.

No one has questioned Mr. King's physical courage. But the few cycles of violence in Northern Ireland will test the political stamina of a man praised for steadiness by his Conservative colleagues but condemned by opponents as out of touch with the realities of a tribal land.

A certain amount of fear and frustration, he acknowledged recently, go with being the British minister. "When you first take on the job," he said, "I think there are moments when you would be mad if you didn't have concern in certain situations."

is on the defensive for such actions as the shooting of three unarmed IRA suspects in Gibraltar on March 6, Mrs. Thatcher is said to be impressed with Mr. King's aggressive style in the House of Commons. But her admiration does not spare him from grillings at cabinet meetings, according to government officials.

Mr. King's search for solutions has caused some in Northern Ireland to accuse him of a myopic optimism. A new poll shows that only 9 percent of the Catholics and 4 percent of the Protestants in Northern Ireland believe that the treaty on security and cooperation signed by London and Dublin in 1985 has improved their situation.

But Mr. King has been meeting with Irish politicians from both sides in an effort to push a "constructive dialogue" directed at a return to self-government, with Catholics and Protestants sharing power.

"I wouldn't predict at this stage how far it goes," said Mr. King of the chances for a return to the government that existed before 1972, when Britain took responsibility for law and order in Northern Ireland.

Mr. King has chalked up two modest successes. He played a role in an agreement to an impasse between London and Dublin over the extradition of suspected terrorists from Ireland to Britain. And he has announced that he would propose new laws barring employment discrimination against Catholics drew qualified praise from members of the minority.

The secretary says he is not troubled by those who accuse him of excessive optimism. "I'm at least glad they don't think I'm a pessimist," he said, "because I think there are plenty of pessimists around Northern Ireland, and it's very easy to find things about which to be pessimistic."

These days, Mr. King remains almost alone in talking about possible developments. A Conservative member of Parliament said that most senior British officials regard Northern Ireland as "a no-win situation for the foreseeable future."

But on all sides there is respect for his tenacity. "The charge is always made that British politicians regard Northern Ireland as a graveyard and they don't want to go over there," said a Thatcher adviser. "He's stuck it out."

New Disputes Hamper Managua Talks

By Stephen Kinzer
New York Times Service

MANAGUA — Less than two weeks after ceasing guerrilla leaders agreed to a cease-fire with the Sandinist government, new obstacles threaten to slow the Nicaraguan peace process.

The cease-fire agreement stipulates that high-level peace talks begin in Managua on Wednesday. But late Saturday, the contras announced they would not arrive in Managua until April 12. Government officials suggested the contras were dragging their feet.

Then, on Sunday, a dispute broke out over the terms of the contras' stay in Managua.

The government is offering them space in a hotel adjoining the airport, and apparently is anticipating the arrival of a small team that will spend nearly all its time negotiating. But the contras say they plan to send 55 people and will insist that all be given freedom to travel and hold public and private meetings.

"We are not going to be locked up as if in a zoo," said Rosco Matamoros, chief spokesman for the contras.

Mr. Matamoros also asserted that Sandinist forces had violated the cease-fire in some northern areas in an attempt to scare civilians out of areas where contras operate.

The sudden emergence of such problems, before discussion of substantive issues has even begun, illustrated the difficulties the negotiators face. The cease-fire has started and, as of Monday, the two sides have 57 days to reach an accord to end the civil conflict that has gone on for more than six years. Both sides say they are ready to return to war if talks fail.

Cardinal Miguel Obando y Bravo, one of two witnesses to the cease-fire agreement, predicted Sunday that peace talks would be held, even if they were delayed.

"Christ went from death to life,"

the Roman Catholic primate said in a homily at an Easter Mass. "I want Nicaragua also to step away from death and war."

After the Mass, he expressed confidence in the peace process.

"On this Sunday of resurrection, I am hopeful," the cardinal said. "I think wisdom and good sense will prevail on both the government of my country and the resistance."

The talks between Sandinist and rebel leaders are the centerpiece of an agreement signed March 23. They will mark the first encounter ever in Managua between leaders of the two sides.

There is no fixed agenda for the talks and they are expected to cover a wide range of topics.

While the talks are under way, contra soldiers are required to move into cease-fire zones. But discussions to fix the zones and determine how they will function have not been completed. The discussions are to resume on Tuesday in the village of Sapoa. Among the topics will be methods for delivery of recently approved U.S. aid for the contras.

Several senior rebels involved in the Sapoa discussions, including field commanders, are also scheduled to take part in the talks in

Managua. For that reason, the contras said, it would be impossible to hold the Managua meeting on Wednesday as scheduled.

Nicaragua's deputy foreign minister, Victor Hugo Tinoco, replied that any postponement would be counterproductive.

"The government of Nicaragua is greatly concerned by the fact that the resistance is showing a tendency to fail systematically to comply with the calendar agreed upon," Mr. Tinoco said in a letter to a contra leader, Aristides Sanchez.

The matter of dates for the Managua meeting, however, seems easier to resolve than new questions about what the contras will do while they are there.

In a separate letter to the contras, Mr. Tinoco said that their delegation would be housed in the government-owned Las Mercedes Hotel, where the talks would be held. He said that while in the hotel, the contras could receive "personal visits that are deemed convenient, based on security regulations."

Mr. Tinoco also said the government would frown on "any kind of political activity beyond the framework of the objective of the Managua meeting."

But the contras said Sunday they would not accept such restrictions.

"They are trying to keep us in an enclave, as if we are transit passengers to Nicaragua," said Mr. Matamoros. "We will be meeting with the government, and we should be able to meet other political groups as well."

The contras also are planning to suggest an alternative site for the Managua talks, perhaps at an office of the Roman Catholic Church.

Mr. Matamoros asserted that last week government troops shelled areas in Jinotega and Nueva Segovia provinces that may become parts of cease-fire zones.

"Both in the countryside and in the capital," he said, "they want to cut us off from our social base in the civilian population."

The government reiterated contentions that its troops were not engaged in offensive actions. Sunday marked the end of Holy Week, which for many Nicaraguans is the only time of year that affords a break from daily routine. All commercial and political activity stopped on Wednesday, and people crowded beaches and other resorts.

Manila, Hunting for Coup Leader, Says 4 Other Soldiers Escaped, Too

Reuters

MANILA — The Philippine military revealed Monday that four more soldiers held for plotting the overthrow of President Corason C. Aquino had escaped from custody.

The announcement followed a military raid on a holiday home of former Defense Minister Juan Ponce Enrile in the hunt for Gregorio Honasan, the renegade colonel who escaped from a navy prison ship Saturday after nearly four months in captivity.

A spokesman said that two captains, a lieutenant and a sergeant also had escaped from custody in the past two weeks. Other military sources said that two of the officers escaped Saturday and the other two a week earlier.

Two of the fugitives were involved in a military coup attempt led by Mr. Honasan in August. That rebellion, viewed as the most serious challenge yet to Mr. Aquino's government, was put down only after street fighting that left 53 people dead in Manila.

The other two had joined an earlier mutiny by troops loyal to Ferdinand E. Marcos, who was deposed as president in 1986.

Army assault teams found no trace of Mr. Enrile's aide early Sunday when they raided Mr. Enrile's beach house in Batangas Province near Manila.

Mr. Enrile, who resigned as Mrs. Aquino's defense minister in November 1986 and is now the opposition leader in the Philippine Senate, said the opposition leader in the Philippine Senate, said the raid was illegal because the soldiers had no search warrant. He denied any part in the escape of Mr. Honasan, his former chief of security.

Major General Ramon Montano, the constabulary chief who captured Mr. Honasan in December, said that troops hunting down the renegade officer were "on the right track," adding: "I think our chances now are better than before."

Defense officials have said they do not believe Mr. Honasan would be capable of launching another major rebellion. But the military has assumed its highest level of combat readiness amid suggestions that his escape could have been part of a wider conspiracy.

Milton A. Caniff, Cartoonist, Dies; Creator of 'Terry and the Pirates'

New York Times Service

NEW YORK — Milton A. Caniff, 81, creator of the comic strips "Terry and the Pirates" and "Steve Canyon," died of lung cancer Sunday at his home in New York.

"Terry and the Pirates," which he started in 1934 for The Chicago Tribune-New York Daily News Syndicate, brought him a following of 30 million readers.

The strip was packed with comedy, sex and suspense and set in the Orient. His main characters, Terry Lee and Jane Allen, matched wits with the Dragon Lady and other evil-doers.

By 1946, "Terry and the Pirates" was appearing in more than 300 newspapers. However, Mr. Caniff was unhappy that he did not own the strip, and was lured away by Marshall Field, owner of the Chi-

cago Sun Syndicate, which paid him \$2,000 a week. It also gave him ownership of "Steve Canyon," a new comic strip hero he had created.

Mr. Caniff was born in Hillsboro, Ohio, and by kindergarten was drawing recognizable human figures on scrap paper brought home by his father, a printer.

One of his most memorable cartoon characters was the Drago Lady, a seductive and resourceful Chinese pirate captain who, Mr. Caniff said, was inspired by the actress Joan Crawford. Another favorite was Burma, a blonde chorus girl with a heart of gold.

Other deaths: Jim Jordan, 91, who played the radio character Fibber McGee for 14 years, Friday in Los Angeles.

Vernon W. Thomson, 82, a former Wisconsin governor, member of Congress for 14 years and Federal Election Commission chairman, Saturday of respiratory arrest in Washington.

Dare Brady, 75, a longtime sports reporter for The Washington Post, on Friday in Washington.

Elliot S. Barker, 101, a conservationist and author who helped make Smokey the Bear part of American lore, Sunday in Santa Fe, New Mexico.

Paolo Milano, 84, a professor and literary critic, Saturday of Parkinson's disease in Rome.

Ethel Henck Grant, 63, president of the United Nations International Women's Forum, on Friday of a heart attack while on a visit to Agra, India.

Jenoe Barszay, 88, a prominent Hungarian artist, Saturday in Budapest.

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Change in Some Social Benefits for Britain's Poor Causes an Outcry

By Warren Getler
International Herald Tribune

LONDON — Olive McDowell, a 72-year-old widow, is worried about sweeping changes in Britain's social security system that take effect this month.

"Things have become impossible. It's a nightmare," Mrs. McDowell said at her home in Greenwich. She fears that new housing-benefit guidelines will fail to ensure that her increase in housing support will match a recent £3.60 (\$6.80) increase in her weekly rent payments.

But, Mrs. McDowell's concerns stretch beyond having enough cash to make ends meet. Starting this month, she and millions of other Britons who subsist on state pensions will no longer have a right to obtain grants for such exceptional single-item purchases as mattresses, stoves or electric heaters.

According to government figures, 4.9 million British households are dependent on income support from the state. The number of dependent individuals, including the unemployed, the sick, the disabled and the elderly, is about eight million, and many of them will see their benefits affected by the changes.

The government, as part of a strategy to target aid "to the most needy," is transforming its so-called single-payment grant program into a discretionary "social fund." Under the social fund, payments will be disbursed primarily as repayable, interest-free loans to those able to repay.

Nicholas Scott, minister for social security, recently said in a television interview, "The ability to repay is very, very important but the terms upon which the loan can be granted are very flexible."

The change is a reversion to the discretionary arrangement in place from 1948 to 1980. Prime Minister Margaret Thatcher's government, which took power in 1979, is thus unraveling a program of its own creation that had come to be viewed by welfare recipients as a legal right.

The move, part of a strategy to restrain what the government sees as runaway spending on social programs, has exposed the government to charges of unfairness toward those least able to look after themselves.

Asked why the government saw fit to dismantle the single-payment entitlement program, a senior official close to Mrs. Thatcher's thinking said: "There has to be some control brought into this system. Enormous amounts of benefits were going to places where it was not needed."

Margaret Beckett, the opposition Labor Party's spokeswoman on social security, said the government's move is misplaced.

"The government is cutting back payments made only on the basis of need," she said, "and need proven by tests that the government itself sets. The government is making people go to charities and it is saying they have lost their right and can only beg for a much smaller pool of money."

Private welfare groups and charities say that the government is withdrawing an important element of the social safety net.

The government's expectations that charities are in a position to fill the void are unfounded, they say. "Those in debt on or below the poverty line will be seen as bad credit risks and be offered nothing," said Graham Barker, a director of the National Council for Voluntary Organizations, an umbrella group for 700 aid organizations.

"The idea of giving loans to people already on subsistence levels, who will have to repay those loans out of their subsistence income, is absurd," Mr. Barker said.

Mrs. McDowell, who already carries some debt, is not likely to be

one else to look after my son."

The change in benefits policy comes on the heels of the government's announcement of £4 billion in tax cuts in the budget for the fiscal year that began April 1.

The biggest beneficiaries of the tax cut announced in the budget presented March 15 by Nigel Lawson, chancellor of the Exchequer, are the nation's high-income individuals. Mr. Lawson has consistently urged those in the upper-tax brackets to donate more heavily to charity, and has provided tax incentives. The government says that Mrs. Thatcher came to power.

But charities, such as the Spastics Society, an agency in London that targets aid for the disabled, say the response has been inadequate to meet their needs.

"The social fund is clearly a backward step," said Mr. Barker. "From a legal entitlement program, we're going to a system where people, if they don't qualify for a loan, are basically expected to go to charity to get help."

Beryl Leaver, a spokeswoman for the Spastics Society, said: "We feel that the government is eroding rights that have been established

and is putting charities in an impossible position. We do not have the money to meet increased demand for our help."

The social fund for the 1988-89 year totals £203 million, of which £140 million is to be disbursed in loans, the remainder in grants. For the year that ended March 31, the total expenditure is estimated at £200 million, all in grants. The social fund budget is only a small portion of the government's overall social security budget for the current year of £48.5 billion.

At its peak in 1985-86, the single-payment plan disbursed about £334 million, up sharply from about £45 million in 1981. That increased led government ministers to fear the system was being abused and a decision was taken to pare it back.

"The system is such that people could believe it was being abused," said Richard Berthoud, research director of the Policy Studies Institute, which conducted a study of social security policy for the government.

"But, he said, "there is no evidence to suggest that was the case. Need was simply larger than the government had anticipated."

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WEDNESDAY, APRIL 5, 1988

INTERNATIONAL STOCK MARKETS

When Wall Street Sneezes, Do Other Markets Get Flu?

By DAVID RESS

LONDON—A reason for the scale of the crash of '87 and for more recent money market jitters may be the tendency of traders around the globe to react less to the actual news than to what other traders do, some economists say.

That does not surprise those economists who back the theory of market contagion. "If the theory is right, then that leaves open one possible explanation of the crash, in terms of saying that the crash started in one market and, through the volatility so generated, was transmitted to other markets," says Mervyn King of the London School of Economics.

Reaction feeding on reaction may move shares farther than the facts would dictate.

He said the idea is that the London stock market reacts to Wall Street, which New York trading began toward the middle of London's afternoon. In turn, New York brokers look at what London has been doing before deciding whether to open Wall Street up or down.

That kind of reaction feeding on reaction may move shares farther than companies' prospects or economic conditions would otherwise dictate.

Our figures seem to say that normally a one-point drop in U.S. share prices will set off a 0.7-point drop in London prices which may feed back and knock 0.3 points off New York prices," said Susil Wadhvani, also of the London School of Economics.

But, he added, a statistical analysis of New York, London and Tokyo share prices between September and November 1987, suggests that this pattern of diminishing bounces can break down when markets become extremely volatile.

The more prices fluctuate, and the more nervous traders grow as a result, the more likely they are to react to what other markets are doing.

THAT IS what happened Oct. 19, when Wall Street shares plunged 22.6 percent as the Dow Jones industrial average dropped 508 points, Mr. Wadhvani said. "When traders sitting in front of their screens saw New York drop, they didn't have time to stop and think if there was any fundamental reason, if something in the condition of the world economy had changed, or if it was just the effect of program selling," said Mr. Wadhvani. "They just sold."

"One market goes down, the other goes down, and then the whole climate gets more volatile so that each successive change remains big. You don't get the dampening effect."

The King-Wadhvani analysis aimed at isolating a statistical correlation between the way New York, London and Tokyo share prices move. There is always some relation, but during the October collapse, the degree of correlation between New York and London prices during the times of day when both markets were open was unusually high, Mr. Wadhvani said.

He cautioned that the sample was small, which suggests a potential for error.

James Poterba, a professor at the Massachusetts Institute of Technology, said he was not completely convinced.

"The real difficulty is to sort out whether the effect is markets transmitting prices to other markets, or whether it is different markets reacting to the same news," Mr. Poterba said.

But what is clear is that the widespread collapse of markets around the world on Oct. 19 is hard to explain by looking at purely U.S. factors," he added.

New Directions and Old for Federated



The legendary Bloomingdale's in New York and its new owner, Robert Campeau, chairman of Campeau Corp.

Bloomies: Retailer's Jewel in the Crown, But Will Campeau Keep It Polished?

By Anne-Marie Schiro

NEW YORK—Behind an art deco facade on 59th Street and Lexington Avenue in New York, there is a fantasy land that is at once a museum, a nightclub, an amusement park—and a department store.

Even those who have never been inside might recognize it as a film backdrop. Jill Clayburgh became "An Unmarried Woman" there as a result of an encounter her husband had at the shirt counter in that film. Michael Murphy and Diane Keaton met on the main floor in Woody Allen's "Manhattan." Robin Williams, playing a Russian musician, sought the help of the store's staff when he defected in "Moscow on the Hudson."

The place, which has elevated shopping to what some would call a "lifestyle experience," is Bloomingdale's. It is the jewel in the crown of Federated Department Stores Inc., which will soon become part of an emerging retailing empire being assembled by Robert Campeau, the Toronto real estate developer.

When Bloomingdale's coined the term "Saturday's Generation" in the early 1970s, it helped give identity to a breed of shopper, proving for love as well as for a look.

Units' Stores To Be Part of Mall Strategy

By Kurt Eichenwald

NEW YORK—Campeau Corp. plans a huge expansion of Federated Department Stores Inc.—the owner of Bloomingdale's, Filene's and Abraham & Straus—after completing its recently accepted takeover offer, according to Robert Campeau, the chairman.

In moves that could have a striking impact on the retailing industry, Campeau and Edward J. DeBartolo Co., the largest U.S. builder of shopping centers, which is helping to finance the acquisition, plan to use divisions of Federated as anchor stores in developing shopping malls across the country, Mr. Campeau said Saturday.

He did not indicate how many stores might be involved, but he emphasized that the development was part of a long-term business strategy.

"We are going to be using the leverage of the department stores for the development of commercial shopping center malls," he said. "DeBartolo and Campeau are going to be partners in the development of those malls over the next several years."

Among Campeau's plans are a strong expansion of Bloomingdale's across North America and a possible sale of Gold Circle, a mass merchandiser and discount store based in Columbus, Ohio.

Mr. Campeau indicated that he was not satisfied with the performance of Abraham & Straus and said that his company would "help them streamline their operation." He declined to give details, but "streamlining" in the retailing industry usually means cutting units or staff or making

See BLOOMIES, Page 11

See CAMPEAU, Page 11

Dollar Is Mixed At Close but Off Day's Lows

Compiled by Our Staff From Dispatches

NEW YORK—The dollar closed mixed Monday in quiet trading but rallied from the day's lows after support from central bank intervention and on profit-taking against other currencies.

Traders said the dollar posted a partial recovery in New York after slipping as low as 1.6480 Deutsche marks and below 123 Japanese yen.

The dollar was under pressure at the outset, but lingering fears of central bank intervention and technical considerations helped it recover.

"It seemed like a technical short-squeeze," said Natsuo Okada of Sumitomo Bank Ltd. He said that, in the short term, technical factors may cause the dollar to drift higher.

The dollar closed at 124.150 yen, up from 123.905 in very light trading on Friday, and at 1.6525 DM, off slightly from 1.6555 on Friday.

The Bank of Japan intervened to buy dollars in Tokyo overnight, reminding the currency market that central banks do not want to see a steep dollar decline.

Overnight in Tokyo, the dollar closed at 123.55 yen, down from Friday's close of 124.50 yen. The closing was up from the opening of 123.70 yen, the dollar's lowest opening level since Jan. 5, when it started trading at 123 yen.

The British pound slipped in New York, closing at \$1.8885, compared with \$1.8905 on Friday.

The dollar also closed in New York at 1.2373 Canadian dollars, up a fraction from 1.2345 Friday; at 1.3605 Swiss francs, down from 1.3645; and at 5.6045 French francs, down from 5.6150.

Currency markets in Europe were closed Monday and trading has been curtailed since Friday because of the Easter and Passover holidays.

"I looked this morning like the markets might try to drive the dollar lower but it didn't happen," said Earl Johnson, a vice president of Harris Bank in Chicago.

He said that if the dollar could manage to hold at current levels through this week, it probably would draw some support from the release of figures on the U.S. merchandise trade deficit for February, due out April 14, and from a gathering of officials of the International Monetary Fund in Washington April 12 and 13.

U.S. Treasury bond prices closed lower, but off their worst levels of the day, in quiet trading, depressed by a larger-than-expected 262,000 gain in U.S. nonfarm payrolls in March, announced last Friday, traders said.

The 8% percent 30-year U.S. Treasury bond closed down 1/32 points, at 100-3/32, off its lows for the day set earlier in Tokyo, where the long bond closed at 99 31/32. (Reuters, AP, UPI)

Saudi Arabia, Indonesia Said To Discount

Agence France-Presse

NICOSIA—Saudi Arabia and Indonesia apparently are discounting crude oil, the Middle East Economic Survey reported here Monday.

The newsletter quoted market sources as saying that Saudi Arabia was providing discounts to customers contracting to buy at least 100,000 barrels a day. It said smaller buyers were being told to upgrade volume otherwise Saudi authorities would continue charging them official prices.

Saudi Arabia has denied previous reports of discounting.

The Nicotia-based survey also quoted Japanese sources as saying that Indonesia was supplying crude to Japan at \$1.56 below official prices for April delivery. Indonesia's oil company Pertamina has said that it renewed contracts with Japanese buyers at official prices set by the Organization of Petroleum Exporting Countries.

West Texas Intermediate, the benchmark U.S. crude, for May delivery was off 8 cents to \$17.00 a barrel at the close of New York trading.

Currency Rates

Table with columns for Currency, Rate, and Date. Includes entries for Amsterdam, London, Milan, Paris, Tokyo, Zurich, and various other international rates.

Interest Rates

Table with columns for Currency, Rate, and Date. Includes entries for Eurocurrency deposits, U.S. Money Market Rates, and Asian Dollar Deposits.

IBM Supplying High-Tech Chips to Competitors

By David E. Sanger

NEW YORK—For more than two years, International Business Machines Corp. has secretly supplied some of its competitors with state-of-the-art computer chips, apparently as part of an effort to remain ahead of Japanese microelectronics advances.

It was reported early last week that IBM, according to industry sources, had offered to supply vital chip technology to Digital Equipment Corp. rather than see its archival become increasingly dependent of Japanese suppliers.

IBM, which considers its chip technology one of its most potent assets, previously had declined to sell semiconductor chips to competing computer makers, restricting their use to its own equipment. But late last week, the world's largest semiconductor maker, in response to inquiries, said that it had offered small supplies of advanced chips to fewer than a dozen U.S. and European computer makers.

Jack D. Kuehler, IBM's vice chairman and highest-ranking copulator, denied Friday industry speculation that the company was acting to prevent its U.S. competitors from becoming dependent on Japanese suppliers for chips, the core technology in advanced computers.

Instead, he said, IBM was seeking "to sharpen our own competitiveness" by letting other computer makers choose between its own chips and those offered by Japanese companies.

Other industry officials said they suspected IBM had additional motives in acting as a chip supplier to competitors, such as driving down its production costs. But whatever the reasons, the actions underscore IBM's enormous role, largely out of public view, in the trans-Pacific battle for dominance of the microelectronic technology that lies at the heart of computers, automa-

tion Corp., its leading competitor in the microcomputer market.

Subsequent inquiries found that IBM had made similar offers to a number of other computer makers, which Mr. Kuehler confirmed last week. But he declined to name the companies, and he took issue with Mr. Prestowitz's thesis that IBM's motive was to prevent the U.S. industry "from falling even further into Japanese hands."

"We are just trying to test our own leading-edge stuff at the present level," he said.

Industry sources said the other companies that were offered IBM chips may have included Unisys Corp., the second-largest U.S. computer maker; NCR Corp.; and one or two European manufacturers. It could not be determined whether any of those companies now actually use IBM chips, though several

midlevel IBM officials said that a number have incorporated IBM technology into their products.

Some of the secrecy surrounding IBM's role apparently came at the insistence of the computer makers buying the chips. According to industry sources, some of them were afraid of angering other semiconductor suppliers, including struggling U.S. companies that have long worried that IBM will enter the chip market in volume.

Mr. Kuehler called IBM's chip sales "a very modest effort" and said that it had no intention of becoming a major semiconductor supplier. "It is not an effort to enter the merchant semiconductor market," he said.

A merchant semiconductor maker mass-produces chips for other equipment makers. But the business is volatile, with slim profits.

Although IBM denies industry speculation that it acted to prevent U.S. competitors from becoming dependent on Japanese chip suppliers, this underscores IBM's enormous role in the trans-Pacific battle.

ARGENTINE REPUBLIC EXTERNAL U.S. \$ BONDS BONOS NOMINATIVOS THE WESTON GROUP

PUTNAM INTERNATIONAL FUND SICAV Luxembourg, 43, boulevard Royal R.C. Luxembourg B11.197

CAPITAL INTERNATIONAL FUND Societe Anonyme d'Investissement Luxembourg, 43, Boulevard Royal R.C. Luxembourg N° 8.8.33

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U.S. Futures

Table of U.S. Futures prices for various commodities including Wheat, Soybeans, Corn, and Soybean Meal.

Table of U.S. Futures prices for Livestock, including Cattle, Hogs, and Poultry.

Table of U.S. Futures prices for Currency Options, including Gold and Silver.

Table of U.S. Futures prices for Food, including Coffee, Sugar, and Cocoa.

Table of U.S. Futures prices for Metals, including Copper, Aluminum, and Zinc.

Table of U.S. Futures prices for Financial instruments, including Treasury Bonds and Municipal Bonds.

Table of International Futures prices for various currencies and commodities.

Table of International Futures prices for Metals and other commodities.

Table of International Futures prices for Financial instruments and other markets.

Monday's NYSE Closing

Tables include the nationwide prices on the closing on Wall Street and do not reflect late trades elsewhere.

Table of NYSE Closing prices for various stocks.

Table of NYSE Closing prices for various stocks (Continued).

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Table of NYSE Closing prices for various stocks (Continued).

Selected U.S.A./O.T.C. Quotations. Table listing prices for various OTC securities.

Indigo Take-off. Advertisement for Indigo computer software.

BUSINESS SCHOOL LAUSANNE. Advertisement for a business school.

Arco's Profit Potential Impresses Oil Analysts

LOS ANGELES — Atlantic Richfield Co.'s ability to generate high profits despite low oil prices makes it one of the most attractive of the U.S. oil companies, according to industry analysts.

Spot Commodities

Table of Spot Commodities prices for various goods.

Dividends

Table of Dividends for various companies.

DM Futures Options

Table of DM Futures Options prices.

U.S. Treasuries

Table of U.S. Treasuries prices for various government securities.

South Korean Exports Rose 35% in Quarter

SEOUL — South Korean exports soared to \$12.8 billion in the first quarter of 1988, a jump of 35 percent from the same period in 1987.

Monthly letters of credit for future export orders amounted to \$3.86 billion, up 22.6 percent compared with a rise of 37 percent recorded in the same period in 1987.

Japan's Domestic Sales Of Vehicles Hit Record

TOKYO — Domestic sales of vehicles jumped 9.9 percent to a record 4.53 million units in fiscal 1987, helped by a recovery in consumer spending and new models, according to industry figures released Monday.

The rise in domestic sales more than offset a slump in exports that was largely caused by sagging sales in Japan's largest export market, the United States, industry sources said.

Herald Tribune advertisement: Reaching More Than a Third of a Million Readers in 164 Countries Around the World.

Vertical advertisements on the right edge of the page, including 'Goodve in Korea', 'CAMPE', 'BLOOM', and 'Texaco'.

Monday's AMEX Closing

Tables include the nationwide prices up to the closing on Wall Street. Did not reflect the trades elsewhere. Via The Associated Press

12 Month High	Low	Stock	Div. Yld. P/E	52 Week High	Low	Close	Change
120	110	ABN	1.2	115	105	112	+
130	120	ABM	1.5	125	115	122	+
140	130	ABX	1.8	135	125	132	+
150	140	ABY	2.1	145	135	142	+
160	150	ABZ	2.4	155	145	152	+
170	160	ABA	2.7	165	155	162	+
180	170	ABB	3.0	175	165	172	+
190	180	ABC	3.3	185	175	182	+
200	190	ABD	3.6	195	185	192	+
210	200	ABE	3.9	205	195	202	+
220	210	ABF	4.2	215	205	212	+
230	220	ABG	4.5	225	215	222	+
240	230	ABH	4.8	235	225	232	+
250	240	ABI	5.1	245	235	242	+
260	250	ABJ	5.4	255	245	252	+
270	260	ABK	5.7	265	255	262	+
280	270	ABL	6.0	275	265	272	+
290	280	ABM	6.3	285	275	282	+
300	290	ABN	6.6	295	285	292	+
310	300	ABO	6.9	305	295	302	+
320	310	ABP	7.2	315	305	312	+
330	320	ABQ	7.5	325	315	322	+
340	330	ABR	7.8	335	325	332	+
350	340	ABS	8.1	345	335	342	+
360	350	ABT	8.4	355	345	352	+
370	360	ABU	8.7	365	355	362	+
380	370	ABV	9.0	375	365	372	+
390	380	ABW	9.3	385	375	382	+
400	390	ABX	9.6	395	385	392	+
410	400	ABY	9.9	405	395	402	+
420	410	ABZ	10.2	415	405	412	+
430	420	ABA	10.5	425	415	422	+
440	430	ABB	10.8	435	425	432	+
450	440	ABC	11.1	445	435	442	+
460	450	ABD	11.4	455	445	452	+
470	460	ABE	11.7	465	455	462	+
480	470	ABF	12.0	475	465	472	+
490	480	ABG	12.3	485	475	482	+
500	490	ABH	12.6	495	485	492	+
510	500	ABI	12.9	505	495	502	+
520	510	ABJ	13.2	515	505	512	+
530	520	ABK	13.5	525	515	522	+
540	530	ABL	13.8	535	525	532	+
550	540	ABM	14.1	545	535	542	+
560	550	ABN	14.4	555	545	552	+
570	560	ABO	14.7	565	555	562	+
580	570	ABP	15.0	575	565	572	+
590	580	ABQ	15.3	585	575	582	+
600	590	ABR	15.6	595	585	592	+
610	600	ABS	15.9	605	595	602	+
620	610	ABT	16.2	615	605	612	+
630	620	ABU	16.5	625	615	622	+
640	630	ABV	16.8	635	625	632	+
650	640	ABW	17.1	645	635	642	+
660	650	ABX	17.4	655	645	652	+
670	660	ABY	17.7	665	655	662	+
680	670	ABZ	18.0	675	665	672	+
690	680	ABA	18.3	685	675	682	+
700	690	ABB	18.6	695	685	692	+
710	700	ABC	18.9	705	695	702	+
720	710	ABD	19.2	715	705	712	+
730	720	ABE	19.5	725	715	722	+
740	730	ABF	19.8	735	725	732	+
750	740	ABG	20.1	745	735	742	+
760	750	ABH	20.4	755	745	752	+
770	760	ABI	20.7	765	755	762	+
780	770	ABJ	21.0	775	765	772	+
790	780	ABK	21.3	785	775	782	+
800	790	ABL	21.6	795	785	792	+
810	800	ABM	21.9	805	795	802	+
820	810	ABN	22.2	815	805	812	+
830	820	ABO	22.5	825	815	822	+
840	830	ABP	22.8	835	825	832	+
850	840	ABQ	23.1	845	835	842	+
860	850	ABR	23.4	855	845	852	+
870	860	ABS	23.7	865	855	862	+
880	870	ABT	24.0	875	865	872	+
890	880	ABU	24.3	885	875	882	+
900	890	ABV	24.6	895	885	892	+
910	900	ABW	24.9	905	895	902	+
920	910	ABX	25.2	915	905	912	+
930	920	ABY	25.5	925	915	922	+
940	930	ABZ	25.8	935	925	932	+
950	940	ABA	26.1	945	935	942	+
960	950	ABB	26.4	955	945	952	+
970	960	ABC	26.7	965	955	962	+
980	970	ABD	27.0	975	965	972	+
990	980	ABE	27.3	985	975	982	+
1000	990	ABF	27.6	995	985	992	+

12 Month High	Low	Stock	Div. Yld. P/E	52 Week High	Low	Close	Change
100	90	AGI	1.5	95	85	92	+
110	100	AGJ	1.8	105	95	102	+
120	110	AGK	2.1	115	105	112	+
130	120	AGL	2.4	125	115	122	+
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150	140	AGN	3.0	145	135	142	+
160	150	AGO	3.3	155	145	152	+
170	160	AGP	3.6	165	155	162	+
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12 Month High	Low	Stock	Div. Yld. P/E	52 Week High	Low	Close	Change
100	90	AGI	1.5	95	85	92	

كلنا من الاصل

Monday's OTC Prices
Wall Street prices as of 4 p.m. New York time.

Financial market data including stock prices, indices, and company performance across various sectors.

sover, shing reams
They are like grapes...
The price of comp...

AGO
adds that the Tur...
The WWF Plant Conservation...

Plants have fed the world and cured its ills since life began. Now we're destroying their principal habitat at the rate of 50 acres every minute. WWF Plant Conservation Programme.

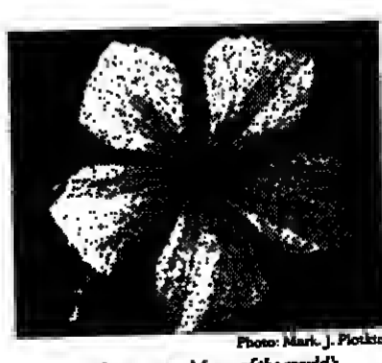


Photo: Mark J. Pickett

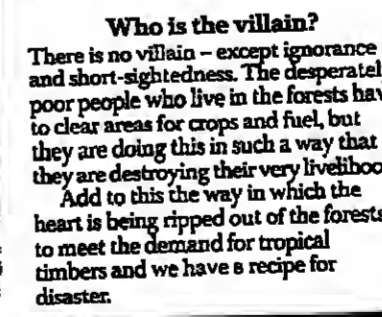


Photo: Richard Evans Schultes



Photo: W.W.R. Jungius

What can be done about it? The WWF Plant Conservation Programme. The World Conservation Strategy, published in 1980, is a programme for conserving the world's natural resources...



The WWF Plant Conservation Programme. The World Conservation Strategy, published in 1980, is a programme for conserving the world's natural resources...

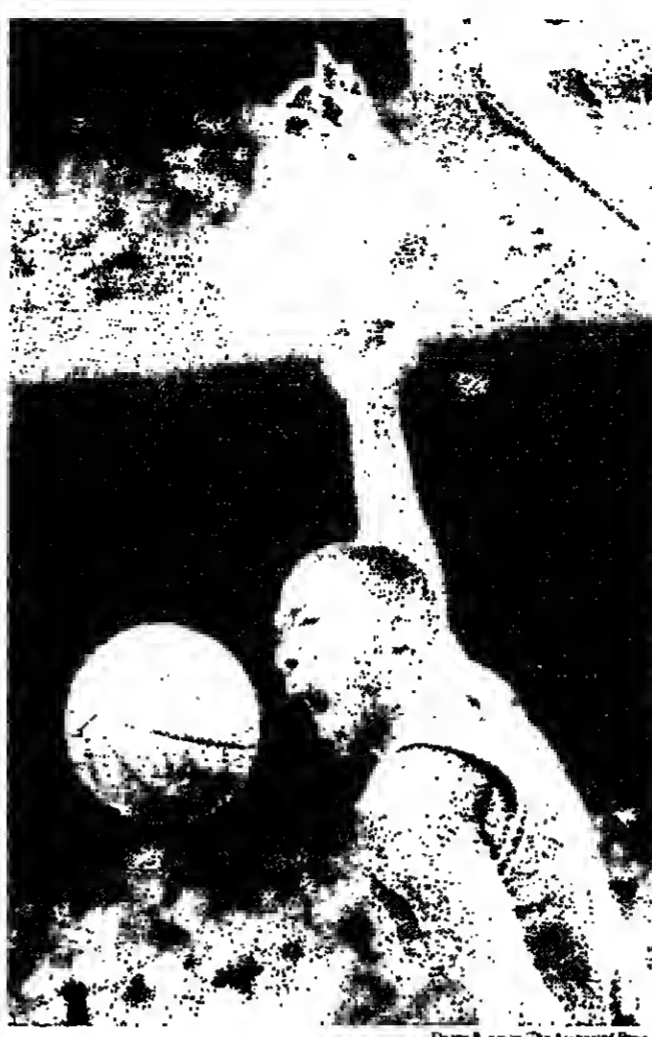
You can become part of it. The WWF Plant Conservation Programme is a plan for survival which you can help make a reality. Join the World Wildlife Fund now. We need your voice and your financial support.



SPORTS

Manning Gets His Shot at Sooners

By John Feinstein
WASHINGTON Post Service
KANSAS CITY, Missouri — Barry Manning, who has become the MVP of the tournament's Final Four...



NBA's Jordan Cuts Loose for 59

Michael Jordan, after reacting after a three-period slam dunk scored 59 points — including two free throws with four seconds left in the game — to spur the Chicago Bulls to a 112-110 victory over the Detroit Pistons on Sunday in Pontiac, Michigan.

Tigers Defeat Red Sox, 5-3, In 10 Innings As Season Starts

In Baltimore, Teddy Higuera pitched three-hit ball for seven innings and Dale Svein's two-run homer highlighted a 16-hit barrage as the Brewers routed Baltimore in the Orioles' worst loss ever in a season opener.

Specter of an Olympic Boycott

By Michael Janofsky
New York Times Service
NEW YORK — For now, the South African Olympic team is expected to include several British players.

Transition

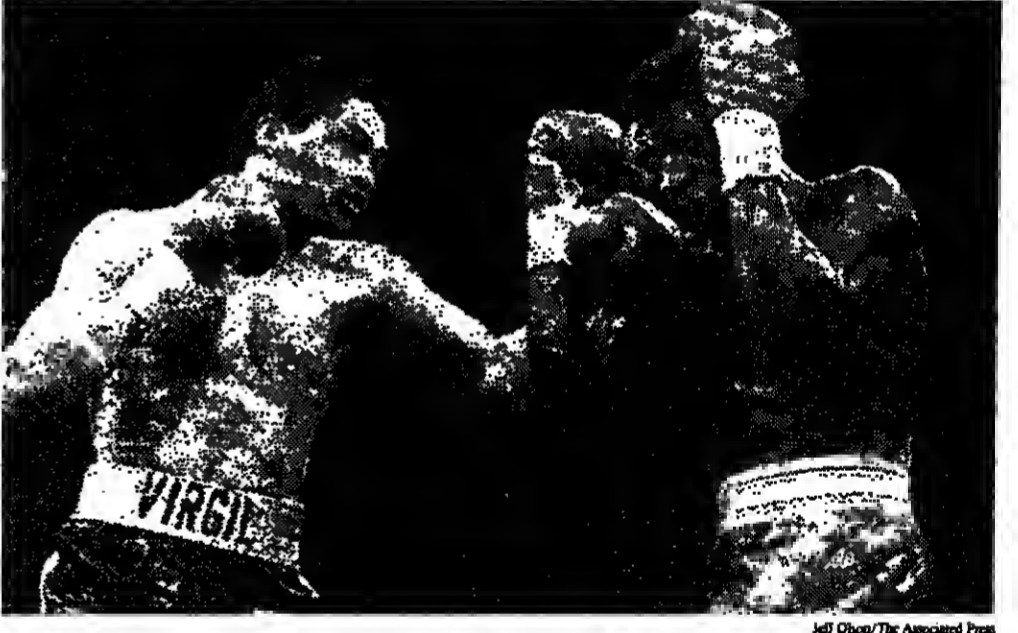
BASEBALL — Assigned Jose Mesa, pitcher, to Rochester of the International League.

SCOREBOARD

Table with columns for Basketball, Hockey, and NCAA Women's Final. Includes scores for various teams like Louisville Tech, Wake Forest, and others.

Hill Stops Emébé in 11th, Retaining WBA Crown

Compiled by Our Staff From Despatches
BISMARCK, North Dakota — Virgil Hill stopped Jean-Marie Emébé of Cameroon in 11th round to retain his World Boxing Association light heavyweight boxing title here Sunday night.



Virgil Hill, penetrating Jean-Marie Emébé's defenses during their WBA light heavyweight title fight.

Meet Sikhs

Government must begin bloody separatist campaign, the top Sikh leaders said Monday.

DATE

Oct. 15 will be offered to 30 Macao to people holding a spokesman for the Tourism Authority of Macao.

NHL Playoff Schedule

Table showing NHL playoff schedule with columns for Round, Date, and Matchup.

Preseason Baseball

Table showing preseason baseball games with columns for Date, Location, and Matchup.

European Soccer

Table showing European soccer fixtures with columns for Date, Location, and Matchup.

Golf

Table showing golf tournament results with columns for Player, Score, and Par.

SIDELINES

Lyle Downs Green in U.S. Golf Playoff
GREENSBORO, North Carolina (AP) — Sandy Lyle, a given second life when Ken Green three-putted the 72d hole, won the Greater Greensboro Open golf tournament Sunday with a birdie putt on the first playoff hole.

Louisiana Tech NCAA Women's Titlist

TACOMA, Washington (AP) — Erica Westbrook scored 16 of her 25 points in the second half and Louisiana Tech overcame a 14-point deficit to nip Auburn, 56-54, in Sunday's final of the NCAA women's basketball tournament.

Quotable

Jim Frey, on his title of vice president of baseball operations of the Chicago Cubs: "I think that means I'm the general manager." (LAT)

MEMENTO

Rick Middleton of the Bruins presented New York Islander Denis Potvin with a silver bowl Sunday at Boston Garden before Potvin played his final regular-season game.

